





India's longest motorable cable suspension bridge

Dobra Chanthi bridge having 440 meter span, built on Tehri Dam in Uttarakhand, has been installed with locked coil wire ropes supplied by Usha Martin Limited.

CORPORATE INFORMATION

Board of Directors

Mr. Mukesh Rohatgi	[DIN]	00136067 - Chairman [Non-Executive]
Mr. Brij K Jhawar	[DIN]	00086200 - Director
Mr. Prashant Jhawar	[DIN]	00353020 - Director [ceased w.e.f. 13th September, 2019]
Mr. Salil Singhal	[DIN]	00006629 - Director [ceased w.e.f. 30th July, 2019]
Mr. Jitender Balakrishnan	[DIN]	00028320 - Director [ceased w.e.f. 30th July, 2019]
Mr. P.S. Bhattacharyya	[DIN]	00329479 - Director [ceased w.e.f. 30th July, 2019]
Mr. Vijay Singh Bapna	[DIN]	02599024 - Director [from 27th May, 2019]
Mrs. Ramni Nirula	[DIN]	00015330 - Director [from 26th July, 2019]
Mr. V. Ramakrishna Iyer	[DIN]	02194830 - Nominee Director
Mr. Rajeev Jhawar	[DIN]	00086164 - Managing Director
Mr. P K Jain	[DIN]	02583519 - Jt. Managing Director [deceased on 17th May, 2020]
Mr. D J Basu	[DIN]	02498037 - Whole Time Director [from 6th June, 2020]

Key Managerial Personnel

Mr. Anirban Sanyal	-	Chief Financial Officer & Chief Operating Officer
Mrs. Shampa Ghosh Ray	-	Company Secretary

Senior Management

India

Mr. S B N Sharma	-	Vice President [Unit Head – Ranchi]
Mr. Devadip Bhowmik	-	Vice President [Chief Marketing Officer]

Europe

Mr. S Jodhawat	-	Chief Executive Officer – Usha Martin International Limited (UK)
Mr. Dimitri Bracco Gartner	-	Chief Operating Officer – Usha Martin International Limited (UK)
Mr. Simon Hood	-	Director - Finance - Usha Martin International Limited (UK)
Mr. Richard Seaton	-	Operations Director – European Management & Marine Corporation Limited (UK)
Mr. Paul Ewart	-	Operations Director – Brunton Shaw UK Limited
Mr. Franco Clerici	-	Director - Group R & D and Technical Services- Usha Martin Italia SRL (Italy)

South East Asia-Pacific, Middle East and Americas

Mr. Tapas Ganguly	-	Chief Executive Officer, South East Asia-Pacific, GCC Countries, Africa & Americas
Mr. S S Birla	-	Managing Director, Usha Siam Steel Industries Public Co. Ltd. (Thailand)

Mr. S. Mazumder	-	Managing Director, Brunton Wolf Wire Ropes, FZCo (Dubai)
Mr. Sanjay Singh	-	Operations Director, Usha Martin Americas Inc. (USA)

Registered & Corporate Office

2A, Shakespeare Sarani
Kolkata – 700 071, India
CIN : L31400WB1986PLC091621
Phone : 033 – 71006300; Fax : 033 – 71006415
Email : investor@ushamartin.co.in; Website : www.ushamartin.com

Works

India

Tatilswai, Ranchi
Hoshiarpur, Punjab
Sri Perumbudur, Tamil Nadu
Silvassa, (U M Cables)

Overseas

Navanakoran Industrial Estate, Thailand (Usha Siam Steel Industries)
Jebel Ali Free Zone, Dubai, UAE (Brunton Wolf Wire Ropes)
Worksop, Nottinghamshire, UK (Usha Martin UK)

Bankers

State Bank of India
ICICI Bank Limited

Auditors

S.R. Batliboi & Co. LLP
Kolkata

Share Listings

NSE – Scripcode – USHAMART
BSE – Scripcode – 517146
Societe de la Bourse de Luxembourg - GDRs - US9173002042
ISIN No.INE228A01035

Registrar & Transfer Agent

MCS Share Transfer Agent Limited,
383, Lake Gardens, 1st Floor,
Kolkata - 700045
Phone : (033) 4072 4051/52/53/54;
Fax : (033) 4072 4050;
Email : mcssta@rediffmail.com

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MANAGEMENT DISCUSSION & ANALYSIS

GLOBAL ECONOMY

The outbreak of pandemic Covid-19 all over the world has disturbed the political, social, economic, religious and financial structures globally. The pandemic has adversely impacted the global market. Operations across all industry segments have come to a halt due to lockdown measures undertaken by governments across the globe. The impact of Covid-19 is expected to be severe on the economic structures of the world because people will not be spending money enough which shall result in businesses not getting revenue forcing many businesses to eventually shut down. Economic recovery from this contagion is expected to take one to two years or more time since it has left severe impact on the global economy and each country faces multiple difficulties to bring it back to a stable condition. As human and economic costs of the Covid-19 pandemic unfolds, the global financial system has been both a source of strength with banks and financial institutions helping distribute support to small businesses and households in need and also an area of potential risk, with record levels of market volatility and growing concern around credit losses. There is uncertainty about how badly the virus will affect different countries, how long containment measures must persist in different markets, how effective government policies will be at mitigating lost activity and how households and firms will change their behaviour in the medium and long term. Governments, central banks, regulators and international organizations have moved rapidly to address the economic collapse and financial fallout, but questions remain around how and to what extent such policies and measures should continue to evolve to preserve financial stability.

INDUSTRY OVERVIEW AND BUSINESS OVERVIEW

In the aftermath of Covid 19, with a definite foreseeable drop in discretionary spends and with the new norm of social distancing and 'work from home' the demands for high-rise apartments as well as commercial spaces like malls, office buildings etc. are expected to decline sharply. As such, market segments like elevator ropes and certain crane ropes are expected to take a hit. Oil prices are expected to remain depressed and is expected to adversely impact the Oil & Offshore rope business. Sharp strengthening of the US Dollar against most global currencies will provide our international competitors with more teeth than us in predictable price wars in the foreseeable future as expected in a regime of depressed demand. This may result in an overall decline in selling prices in spite of the strong dollar. In the coming year, we expect to grow our exports to countries like Indonesia, Vietnam, USA, Canada, Latin America, Russia and Australia. The domestic market is expected to see a spurt in demand once the contagion is contained and business returns to normalcy, as overall economic activity in India is likely to register a sharp growth in the wake of strong global backlash

against goods manufactured in China. Expected additional infusion of government funds in the infrastructure sector is also likely to push up demand for LRPC strands in the domestic market segment. Conveyor cords market segment in the domestic market is likely to remain strong in the current fiscal. However, auto segment is likely to remain depressed for some more time resulting in subdued demand for wires.

During the fourth quarter of the financial year under review, the outbreak of Covid-19 was declared as a global pandemic. As a measure for containment for the spread of pandemic, Government of India imposed lockdown on March 25, 2020 and consequently the Company temporarily suspended operations in all its plants/offices in compliance with the lockdown instructions issued by the Central and State Governments. Covid-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lock down of production facilities etc. during the lock-down period. However during the later part of the month of April, 2020 the production and supply of goods have commenced on various dates at all the manufacturing locations of the Company after obtaining the requisite permissions from the appropriate government authorities. An initial assessment has been made, based on the current situation, of the likely impact of the lockdown on overall economic environment and wire and wire-ropes industry, in particular, based on which it is expected that the wire and wire ropes demand will stabilise in due course which however is subject to the impact of uncertainties that Covid-19 outbreak may ultimately pose on economic recovery and may have a consequential impact on the operating and financial performance of the Company. Since the situation is continuously evolving, the impact assessed in future may be different from the estimates made as on the date of approval of these financial results. Management will continue to monitor any material changes arising out of the impact of this pandemic on financial and operational performance of the Group and take necessary measures to address the situation.

PERFORMANCE REVIEW

On a standalone basis, during FY 2019-20, the Company achieved gross production of Wire Ropes and Conveyor cord of 65,117 MT against 64,706 MT in FY 2018-19. The gross production of Strand, Wire, LRPC Bright Bar was 99,961 MT in FY 2019-20 against 123,270 MT in FY 2018-19. The Total Value Added products production was lower by about 12.2 % in FY 2019-20 compared to that in the previous financial year as the Company decided consciously to exit certain low margin products.

PRODUCTION VOLUME VA PRODUCTS–STANDALONE

Qty in MT	FY 19-20	FY 18-19
Wire Ropes	63,685	63,777
Wire/ Strands/LRPC	99,926	1,12,514
Conveyor Cord	1,432	929
Bright Bar	35	10,756

During the year, consolidated turnover of the Company stood at Rs. 2,153.82 Cr which is 13.4 % lower than Rs. 2,488.25 Cr in the previous year. On standalone basis, the Company's turnover decreased by 18.5% to Rs. 1,392.62 Cr in the current Financial Year from Rs. 1,708.03 Cr in the previous year.

The EBIDTA achieved by the Company on consolidated basis was Rs. 284.96 Cr being 13.2 % of the reported turnover, and on standalone basis at Rs. 200.55 Cr, being 14.4 % for the reported turnover against Rs. 336.10 Cr and Rs. 282.32 Cr respectively in previous year.

INTERNATIONAL BUSINESS

Usha Martin International Limited [UMIL]: UMIL is a wholly owned subsidiary of the Company located in United Kingdom which enjoys a presence in the United Kingdom and parts of Europe through its wholly owned step-down subsidiaries, namely:

- Usha Martin UK Limited which comprises manufacturing distribution and end use solutions for wire ropes to offshore oil and gas sectors,
- De Ruiter Staakabel B.V. Netherlands which has end use solutions and distribution facilities for wire ropes, and
- Usha Martin Italia which has set up R&D Centre for wire ropes.

The consolidated performance of UMIL during the year under review has been provided herein under:

GBP in Mn			
UMIL	FY'18	FY'19	FY'20
Turnover	38.6	44.6	44.3
PAT	0.9	1.6	2.2

Brunton Wolf Wire Ropes FZCo [BWWR]: BWWR, located in United Arab Emirates is a joint venture of the Company with Gustav Wolf of Germany. The performance of BWWR during the year under review has been provided herein under:

USD in Mn			
BWWR	FY'18	FY'19	FY'20
Turnover	20.7	23.0	22.7
PAT	1.3	0.5	0.9

Usha Martin Singapore Pte Limited [UMSPL]: UMSPL located at Singapore is a wholly owned subsidiary of the Company which is in business of warehousing and distribution of wire ropes in Asia Pacific region by itself and through its following wholly owned subsidiaries –

- Usha Martin Australia Pty Limited;
- Usha Martin Vietnam Company Ltd;
- PT Usha Martin Indonesia, and
- Usha Martin China Company Limited.

The performance of UMSPL during the year under review has been provided herein under:

USD in Mn			
UMSPL	FY'18	FY'19	FY'20
Turnover	21.5	22.4	27.9
PAT	0.01	(0.7)	0.1

Usha Siam Steel Industries Public Company Limited [USSIL]: USSIL is a subsidiary of the Company in which the Company along with Usha Martin Singapore Pte Ltd., holds 97.98% of the equity of USSIL. The performance of USSIL during the year under review has been provided herein under:

THB in Mn			
USSIL	FY'18	FY'19	FY'20
Turnover	1,368.9	1,470.6	1,363.1
PAT (including OCI)	(2.4)	(6.6)	(11.5)

Usha Martin Americas Inc [UMAI]: UMAI is a wholly owned subsidiary of the Company having manufacturing facilities at Houston, United States of America. The performance of UMAI during the year under review has been provided herein under:

USD in Mn			
UMAI	FY'18	FY'19	FY'20
Turnover	5.3	8.4	8.1
PAT	(0.9)	0.2	1.0

Domestic Business

U M Cables Limited [UMCL]: UMCL is a wholly owned Indian subsidiary of the Company, engaged in business of telecommunication cables. The performance of UMCL during the year under review has been provided herein under:

Rs. in Cr			
UMCL	FY'18	FY'19	FY'20
Turnover	117.1	103.1	74.2
PAT (including OCL)	4.1	(33.5)	(9.5)

KEY FINANCIAL RATIOS

The key financial ratios of the Company for the current financial year as compared to the previous financial year for continuing operations are provided herein under:

Particulars	FY 19-20	FY 18-19	Change %	Reasons for change
Debtors Turnover (days)*	44.0	40.0	10.0	Debtors turnover marginally increased due to impact of Covid-19 pandemic during the last quarter of FY'19-20 for both domestic and export receivables
Inventory Turnover (days)*	102.8	72.6	41.6	Inventory turnover increased due to increase in finished goods holding due to impact of Covid-19 pandemic during March-20
Interest Coverage Ratio (times)*	3.0	2.8	5.6	Interest coverage ratio has increased due to reduction in finance cost during the FY'19-20
Current Ratio (times)	1.3	0.4	190.9	Current ratio has improved significantly on account of reduction of current borrowing levels
Debt Equity Ratio (times)	0.6	14.3	(96.1)	Debt equity ratio has improved significantly on account of repayment of debts emanating from the sale of Steel business

Particulars	FY 19-20	FY 18-19	Change %	Reasons for change
Operating Profit Margin-EBIT (%)*	12.4	15.0	(17.5)	Operating profit margin has decline on account of an overall slowdown of the economy, specifically the auto sector and construction industry and additional negative impact arising of the Covid-19 pandemic during Q4-FY'19-20
Net Profit Margin (%)#	28.4	3.5	714.0	Net profit margin has improved significantly on account of profit recognised from the sale of Steel business during FY'19-20
Return On Net worth (%)#	64.3	25.5	151.6	Return On Net worth has improved significantly on account of profit recognised from the sale of Steel business during FY'19-20

* Continuing operation

Continuing and Discontinued operation

Opportunities, Threats, Risk & Concerns

Opportunities:

- Strong global backlash and anti-chinese sentiments may provide opportunity to increase market share of existing products in countries / territories in USA, Canada, Mexico, Panama, Peru, Brazil, Ecuador, Australia and South Africa. The resultant focus on India as a global manufacturing hub by big corporations would provide an impetus to make inroads in hitherto unexplored territory.
- Infusion of funds driven by government policy will help to ramp up production to meet expected increase in demand of LRPC strands.

Threats:

- Downturn in demand and market sentiments could lead to loss in business.
- Overall international trade may get affected in case countries pursue procuring products locally.
- Fishing rope market demand in India may remain depressed during the current fiscal due to lack of liquidity.

Risks & Concerns:

- Prolonged continuation of the Covid-19 pandemic.
- Disruption in supply chain.
- Financial crisis faced by several customers may drive them to request for extended credit period leading to adverse cash flow situation in the Company.

Outlook

With adverse impact of Covid-19 on both domestic and international economy, the overall outlook for fiscal 2020-21 is expected to remain uncertain. The major challenge for the Company is to remain agile and responsive to the changing market needs and focus upon increasing market share in high contributory products such as crane, elevator, mining and bridge ropes. LRPC strands and GP ropes are expected to continue to remain growth drivers for the Company.

Internal Control Systems and their Adequacy

The Company has adequate internal control procedures which is commensurate with its size and nature of its business in order to fairly ensure efficient usage and protection of the Company's resources, accuracy in financial reporting and due compliance of statutes and procedures. Further authorization and approval levels for various functions exist and are mapped within SAP environment to ensure controls at source. The Company had engaged a firm of international repute to act as internal auditors of the Company. The Audit Committee of the Board periodically reviews Internal Audit reports, progress in implementation of Committee's recommendations and the adequacy of internal control systems.

Material developments in Human Resources and Industrial Relations

The Company continued various people development initiatives like Learning & Development through classroom training and Executive Development Programmes for high potential employees in line with their training needs. To maintain focus on succession planning, the Company provided opportunities like job rotation, job enrichment for high potential and high performing individuals. Fresh graduate engineers and diploma holders are recruited for creating talent pool through proper training and mentoring. The Industrial Relations during the year was cordial and the Company executed long term settlement with recognized unions covering wages and service conditions. The Company continues to focus on various CSR initiatives for upliftment and capacity building of stakeholders in surrounding villages where the plants are located. Efforts are in place for convergence of government programmes relating to income generation through livelihood activities.

Appreciation

The Company has been getting necessary support and cooperation from all sections of customers, suppliers, service providers, investors, authorities, lenders and all employees of the Company to whom the Company expresses its sense of appreciation.

Cautionary Statement

Statements in the management discussion and analysis report describing the Company's objectives, projections, estimates may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to Company's operations include, among others, economic conditions affecting demand / supply and price conditions in the domestic and overseas market in which the Company operates, changes in the government regulations, tax law and other statutes and incidental factors.

REPORT OF THE BOARD OF DIRECTORS

Dear Shareholders,

The Board of Directors of Usha Martin Limited ("the Company") present the 34th Annual Report and Audited Accounts for the Financial Year ended 31st March, 2020.

FINANCIAL SUMMARY / HIGHLIGHTS

(Rs. in Crore)

	Standalone		Consolidated	
	FY 2019–20	FY 2018–19	FY 2019–20	FY 2018–19
Net Turnover	1,392.62	1,708.03	2,153.82	2,488.25
Earnings before Interest, Tax, Depreciation and Amortization	200.55	282.32	284.96	336.10
Depreciation	27.77	28.10	63.62	60.86
Finance costs	58.07	90.22	74.18	113.53
Profit before tax from continuing operations	114.71	164.00	147.16	161.71
Tax expenses	200.75	(234.68)	209.73	(227.46)
Profit / (Loss) after tax from continuing operations	(86.04)	398.68	(62.57)	389.17
Profit after tax from discontinuing operations	481.44	(339.68)	483.22	(342.71)
Profit after tax	395.40	59.00	421.08	49.30
Other comprehensive income / (loss)	(10.95)	(1.60)	24.54	6.97
Total comprehensive income / (loss)	384.45	57.40	445.62	56.27

Review of Operations

The turnover (net of excise) for the year was Rs. 2,153.82 Cr on consolidated basis and Rs. 1,392.62 Cr on standalone basis as compared to Rs. 2,488.25 Cr and Rs. 1,708.03 Cr respectively in the previous year. The Earnings before Interest, Depreciation and Tax was Rs. 284.96 Cr on consolidated basis as compared to Rs. 336.10 Cr in previous year and on standalone basis was Rs. 200.55 Cr as compared to Rs. 282.32 Cr in previous year.

A detailed discussion on review of operations of the Company has been included in Management Discussion and Analysis which forms part of this Report.

Update On Covid-19 Pandemic

Towards the end of financial year 2019-20, the entire global economy faced an unprecedented disruption, owing to the Covid-19 pandemic. The pandemic has resulted in interrupted supply chain, halted production and lock-down. With Covid-19 situation escalating, the Company had proactively rolled-out a slew of measures to ensure health and safety of its employees including suspending production at all its manufacturing facilities by end of March 2020. Ensuring stringent safety protocols for employee wellbeing, the Company reopened, in a gradual manner, all its manufacturing facilities towards the end of April 2020. The Company is proactively adapting to the changing business needs and will stay prepared dynamically to do course correction if and when required.

Dividend & Reserves

The Board of Directors has decided it would be prudent not to recommend dividend for the year under review nor do they propose to carry any amount to reserves.

Slump Sale of Steel Business Undertaking

Pursuant to the business transfer agreement executed with Tata Sponge Iron Limited (now known as Tata Steel Long Products Limited) with an objective to deleverage the Balance Sheet of the Company, the transfer of the Steel Business Undertaking including iron-ore and coal mines of the Company by way of slump sale on going concern basis was completed during the year under review.

Outlook and Business

With adverse impact of Covid-19 on both domestic and international economy, the overall outlook for fiscal 2020-21 is expected to remain uncertain. The major challenge for the Company is to remain agile and responsive to the changing market needs and focus upon increasing market share in high contributory products such as crane, elevator, mining and bridge ropes. LRPC strands and GP ropes are expected to continue to remain growth drivers for the Company.

TPM & Quality

WWR division's Quality Management System Certification has transitioned from ISO 9001:2008 to ISO 9001:2015. The Environmental Management System (EMS) Certification has transitioned from ISO 14001:2004 to ISO 14001:2015. Approval of manufacturing (AOM) by DNV-GL, ABS & Lloyd's are in place. The organization is licensed for manufacture of ropes under API Spec 9A. The Company has product certification by SNI of Indonesia, InMetro of Brazil, and SONCAP of Nigeria & CCS of China. LRPC product is certified by ACRS of Australia & Testing Laboratory has accreditation under ISO 17025: 2017. In order to strengthen our basic systems, the concept of Business Excellence is being pursued. Concepts like Daily Routine Work Management, Kaizen Management, Cost Reduction Ideas and Fuguai Management have

successfully been implemented in operation, maintenance and service areas in the plants. All the Key Process Indicators (KPIs) of different functions are being monitored regularly in a centralized place known as Wire Rope Excellence Center. The Business Excellence journey will further strengthen the competitiveness with respect to quality, cost and delivery of rope business.

Environment

The Company strives for improvement in environmental performance by taking efforts to minimize the process emission, waste minimization and reduction in consumption of energy, water and raw materials. Periodic environmental monitoring, online monitoring of emission & effluent at captive power plants are being carried out. Utilization of fly ash has increased which ensures that disposal of accumulated fly ash and process effluent are being treated and recycled. The Company has taken initiative to address global environmental issues, climate change and global warming by use of liquefied petroleum gas and biomass briquette as fuel, energy efficient LED bulbs and motors. There is continued focus on greenery & greenbelt development within the plant premises and social forestry in nearby villages.

Subsidiaries & Joint Ventures

The international subsidiaries of the Company provide significant synergy and support to the overall business and performance. All the operating subsidiaries of the Company have continued to perform reasonably well in the economic and business environment which prevailed during the year under review. A key joint venture formed by the Company namely Pengg Usha Martin Wires Private Limited has reported satisfactory results in the year under review. During the year under review there were no other entities which became or ceased to be subsidiaries, joint ventures and associates of the Company. A statement covering report on the performance and financial position of each of the subsidiaries, associates and joint ventures is provided separately and forms part of this Report.

Deposits

During the year under review, the Company has not accepted any deposit under Section 73 of the Companies Act, 2013 ("the Act") and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). As on 31st March, 2020, there are no unclaimed deposits with the Company. The Company has not defaulted in repayment of deposits or payment of interest on deposits thereon in the past.

Share Capital

The paid-up Equity Share Capital as on 31st March, 2020 stood at Rs. 30.54 Crore. During the year under review, the Company has not issued any shares with or without differential voting rights, granted stock options or issued sweat equity shares.

Significant and material orders passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future

During the year, no significant material orders were passed by any regulatory authority or court against the Company which may affect the

going concern status of the Company.

The Directorate of Enforcement, Patna had passed a provisional order dated 9th August 2019 ("Provisional Order") for provisional attachment of certain immovable properties of the Company valued at approximately Rs. 190 crore pertaining to the wire rope business of the Company, situated at Ranchi in the State of Jharkhand. This order was passed in connection with sale of iron-ore fines in earlier years from the erstwhile iron-ore mines of the Company situated at West Singhbhum in the State of Jharkhand. On 10th January 2020, the Adjudicating Authority under the Prevention of Money Laundering Act, 2002 ("PMLA") issued an order confirming the Provisional Order, subsequent to which the Company filed applications for stay and appeal against the order of Adjudicating Authority, PMLA, with the Appellant Tribunal, PMLA, New Delhi. The Appellant Tribunal vide an order dated 31st January 2020 directed that status quo be maintained till the next date of hearing. The aforesaid matter has also been intimated to the Stock Exchanges where the Equity Shares of the Company are listed.

Details in respect of adequacy of internal financial controls with reference to the financial statements

Based on the framework of internal financial controls and compliance systems established and maintained by the Company (with its inherent weaknesses), work performed by the internal, statutory, cost and secretarial auditors and external consultants specially appointed for this purpose, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and relevant board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the year ended on 31st March, 2020.

Directors and Key Managerial Personnel

Mr. Brij Kishore Jhawar (DIN: 00086200) is retiring by rotation and being eligible, offers himself for re-appointment at the forthcoming Annual General Meeting. A brief profile of Mr. Jhawar is given in the Notice convening the forthcoming Annual General Meeting.

The tenure of Late Pravin Kumar Jain (DIN: 02583519) as Joint Managing Director [Wire & Wire Rope Business] of the Company ended on 31st January, 2020. The Board of Directors at its Meeting held on 20th January, 2020 had, in accordance with the recommendation of the Nomination and Remuneration Committee reappointed him as Joint Managing Director for a further period of one year till 31st January, 2021. However, Mr. Jain passed away after brief illness on 17th May, 2020. While conveying the deepest condolences to his family, the Board places its appreciation for the invaluable and immense contribution made by him towards the growth and development of the Company. The resolution for approval of shareholders for ratification of the appointment and remuneration paid to him shall be placed at the forthcoming Annual General Meeting of the Company.

Mr. Prashant Jhawar (DIN: 00353020), Non-Executive Promoter resigned from the Board of Directors with effect from 13th September, 2019. The shareholders of the Company at the 28th Annual General Meeting

had appointed Mr. Jitender Balakrishnan (DIN: 00028320), Mr. Salil Singhal (DIN: 00006629) and Mr. P S Bhattacharyya (DIN: 00329479) as independent directors for a tenure of five years each till 30th July, 2019. Accordingly, after expiry of the said tenure, Mr. Balakrishnan, Mr. Singhal and Mr. Bhattacharyya ceased to be directors of the Company. The Board placed on record its appreciation for their immense support, invaluable guidance and contribution. Mr. Vijay Singh Bapna (DIN: 02599024) was appointed as Independent Director of the Company for a term upto four consecutive years commencing from 27th May, 2019 and Mrs. Ramni Nirula (DIN: 00015330) was appointed as Independent Director of the Company for a term upto five consecutive years commencing from 26th July, 2019. In the opinion of the Board, the Independent Directors appointed during the year possess required skills, expertise, experience (including the proficiency) and integrity to allow them to make effective contribution to the Board and its Committees.

The Board of Directors at its meeting held on 20th January, 2020, had appointed Mr. Mukesh Rohatgi (DIN: 00136067), Independent Director as Non-Executive Chairman of the Board and Company with effect from the said date.

Mr. Dhruv Jyoti Basu (DIN: 02498037) was appointed as an Additional Whole Time Director of the Company with effect from 6th June, 2020 and shall hold office till the date of forthcoming 34th Annual General Meeting of the Company. A brief profile of Mr. Basu is given in the Notice convening the forthcoming Annual General Meeting.

As required under provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Independent Directors of the Company have confirmed that they meet the requisite criteria of independence.

During the year under review, there has been no change in the Key Managerial Personnel of the Company except that Mr. Rohit Nanda ceased to be the Chief Financial Officer of the Company with effect from close of business hours on 9th April 2019 and Mr. Anirban Sanyal was appointed the Chief Financial Officer of the Company with effect from 10th April 2019. Mr. Sanyal is also the Chief Operating Officer of the Company.

Directors' Responsibility Statement

Pursuant to requirements under Section 134(5) of the Act, the Board, to the best of its knowledge and belief, confirms that:

- i) the applicable accounting standards have been followed in preparation of annual accounts for Financial Year ended 31st March, 2020 and proper explanations have been furnished relating to material departures;
- ii) accounting policies have been selected and applied consistently and prudent judgments and estimates have been made so as to give a true and fair view of state of affairs of the Company at end of financial year and of loss of the Company for year under review;
- iii) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding assets of the Company and for preventing and

detecting fraud and other irregularities;

- iv) the annual accounts for Financial Year ended 31st March, 2020 have been prepared on a going concern basis;
- v) internal financial controls are in place and that such financial controls are adequate and operating effectively;
- vi) adequate systems to ensure compliance with the provisions of all applicable laws are in place and are operating effectively.

Board Evaluation

The criteria and manner for formal evaluation of individual Directors, the Board as a whole and the Board Committees has been formulated. Every Director evaluates the performance of other Directors (excepting himself/herself), the Board as a whole and its Committees and provides feedback to the Nomination & Remuneration Committee. The Nomination & Remuneration Committee reviews the feedback and makes relevant recommendation to the Board for final evaluation.

Nomination & Remuneration Policy

In accordance with the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company on recommendation of the Nomination & Remuneration Committee has formulated the criteria for determination of qualification, positive attributes and independence of Directors along with remuneration of Directors, Senior Management Personnel (including Key Managerial Personnel) and other employees. The Remuneration Policy of the Company is annexed as part of this Report and is also available on the website of the Company www.ushamartin.com.

Vigil Mechanism and Whistle Blower Policy

The Company has a coded Vigil Mechanism and Whistle Blower Policy available at www.ushamartin.com/investor. This Policy provides a framework to promote responsible and secure reporting of undesirable activities ("whistle blowing"). Through this Policy, the Company seeks to provide a mechanism to the whistleblower to disclose any misconduct, malpractice, unethical and improper practice taking place in the Company for appropriate action and reporting, without fear of any kind of discrimination, harassment, victimisation or any other unfair treatment or employment practice being adopted against the whistleblower.

Particulars of Employees & Managerial Remuneration

The required disclosure in accordance with Section 197 of the Act read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time are provided separately and forms part of this report.

CEO and CFO Certification

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director and Chief Financial Officer of the Company have submitted the relevant certificate for the year ended 31st March, 2020 to the Board of Directors.

Additional Disclosures

The Company had adopted effective from 1st April, 2016, the notified

Indian Accounting Standards (Ind AS) and accordingly the Financial Statements (both standalone and consolidated) for the year ended 31st March, 2020 have been prepared under Ind AS. In line with requirements of applicable provisions of law, the Company has made necessary disclosures in respect of Consolidated Financial Statements, Related Party Transactions and Segmental Reporting.

Auditors

In accordance with the provisions of Section 139 of the Act and pursuant to shareholders approval at the 30th Annual General Meeting, S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005) have been appointed as Statutory Auditors of the Company to hold office from the conclusion of the 30th Annual General Meeting till the conclusion of the 35th Annual General Meeting of the Company. The Emphasis of Matter mentioned in the Auditors' Report is self explanatory.

Cost Auditors

Pursuant to Section 148 of the Act and Rules made thereunder, the Board has appointed Messers Guha, Ghosh, Kar & Associates, Cost Accountants, to conduct cost audit of the Company for the Financial Year 2019-20 and had recommended their remuneration to the shareholders which was ratified at the Annual General Meeting held on 21st September, 2019. The Board of Directors have re-appointed Messers Guha, Ghosh, Kar & Associates as the Cost Auditors for the Financial Year 2020-21 and their remuneration is sought to be ratified from the shareholders at the forthcoming Annual General Meeting and is included as an agenda item in the Notice convening the 34th Annual General Meeting.

Secretarial Audit and Corporate Governance Report

During the year under review, the Board of Directors had appointed M/s. A K Labh & Co. firm of Practicing Company Secretaries for conducting secretarial audit in accordance with the provisions of the Act and the Rules framed thereunder. The Secretarial Audit Report is annexed and forms part of this Report. The Secretarial Audit Report for the financial year ended 31st March, 2020 contains three observations which are self-explanatory in nature. The Company has complied with the applicable requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and followed the practice of getting disclosures from directors and senior management personnel relating to any material, financial and commercial transactions where they have any personal interest with a potential conflict of interest with the Company at large. A detailed Report on Corporate Governance is annexed and forms part of this Report. The Company has also complied with the Standards of Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India as applicable during the year ended 31st March, 2020.

Business Responsibility Report

The Business Responsibility Report as stipulated under Regulation 34(2)(f) of SEBI Listing Regulations, 2015, describing the initiatives taken by your Company from an environmental, social and governance perspective, forms part of the Annual Report.

Audit Committee

Members of the Audit Committee as on 31st March, 2020 were Mr. Vijay Singh Bapna as Chairman, Mr. Mukesh Rohatgi and Mr. P K Jain as Members. The Company Secretary acts as the Secretary to the Audit Committee. Subsequent to the demise of Mr. Jain on 17th May, 2020, Mr Rajeev Jhavar was appointed as a member of the Committee effective 25th May, 2020. All recommendations of the Audit Committee were duly accepted by the Board and there were no instances of any dis-agreement between the committee and board.

Corporate Social Responsibility (CSR)

The Company continues to be deeply involved in sustainable development of communities in and around its areas of operations. The CSR policy of the Company is available on www.ushamartin.com/investor. The Company's commitment to its responsibilities towards society over the years has never been confined to the requirements of any statute. As per the provisions of Section 135 of the Act, the Company need not statutorily incur any social responsibility spending owing to absence of profits over the last three years. However, the annual report on CSR activities as required in accordance with the Act and Rules made thereunder forms part of this Report. In accordance with the requirements of the Act, as on 31st March, 2020 the CSR committee comprised of Mr. Brij Kishore Jhavar as Chairman and Mrs. Ramni Nirula and Mr. P K Jain as members. Subsequent to demise of Mr. P K Jain on 17th May 2020, Mr. Dhruv Jyoti Basu has been inducted as a member of the Committee with effect from 6th June, 2020.

Extract of Annual Return

The details forming part of the extract from the Company's Annual Return in Form MGT 9 are annexed separately with this Report. Further in accordance with the requirement of Section 92(3) of the Companies Act, 2013 a copy of the Annual Return of the Company is hosted at <http://www.ushamartin.com/investor-relation/>.

Number of Meetings of Board and it's Committees

The details regarding meetings of the Board and Committees have been provided in the Corporate Governance Report forming part of this Report.

Particulars of Loans, Guarantees and Investments

The particulars of loans, guarantees or investments are provided in the Financial Statements.

Particulars of contracts or arrangements with Related Parties

During the year under review, in compliance with the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all related party transactions had been placed before the Audit Committee for approval. Necessary approval of the Board has also been obtained where required. Relevant disclosure has been made in Form AOC-2 pursuant to Rule 8(2) of the Companies (Accounts) Rules, 2014 (as amended) given as an annexure to this Report. The Related Party Transaction Policy as approved by the Board is hosted on the Company's website www.ushamartin.com.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 (as amended) is annexed separately and forms part of this report.

Risk Management

The Audit Committee of the Board of Directors of the Company is entrusted with assisting the Board in discharging its responsibilities towards management of material business risk (material business risks include but is not limited to operational, financial, sustainability, compliance, strategic, ethical, reputational, product quality, human resource, industry, legislative or regulatory and market related risks) including monitoring and reviewing of the risk management plan / policies in accordance with the provisions of SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015. The Company has formulated a Risk Organisation Structure as part of a risk mapping exercise which reviews risks, identifies ownership of risk, assesses the implication of such risks and the method to mitigate the same.

Material changes between the end of the Financial Year and date of report

There has been no material changes subsequent to the end of the Financial Year and the date of this report which requires to be specifically reported.

Appreciation

Your Directors place on record their appreciation for the valuable co-operation and support of its employees, customers, suppliers, contractors, shareholders, investors, government authorities, financial institutions, banks and other stakeholders.

On behalf of the Board of Directors

Place : Kolkata
Date : 6th June, 2020

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole time Director
DIN: 02498037

Annexure to Directors Report

Information as per Section 197 (12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, and forming part of the Directors' Report for the year ended 31st March, 2020

Name; Age (Years); Designation/ Nature of Duties; Gross Remuneration (Rs.); Qualifications; Experience (Years); Date of Commencement of Employment; Previous Employment - Designation

(A) Top ten employees in terms of remuneration drawn and having been employed throughout the financial year.

RAJEEV JHAWAR; 55; Managing Director; 1,49,07,080; B. Com (Hons); 35; 26-Nov-94; Usha Martin Industries Limited (Since Merged with the Company); Jt. Managing Director, PRAVIN KUMAR JAIN; 66; Jt Managing Director (Wire and Wire Rope Business); 1,40,14,096; B.Tech, MBA; 43; 01-09-2009; Brunton Wolf Wire Ropes,Fzco; Managing Director, ANIRBAN SANYAL; 45; Chief Financial Officer; 87,59,307; CA; 24; 15-Sep-16; Outotec India Pvt. Ltd.; Financial Controller, DHRUB JYOTI BASU; 62; President-Human Resource; 66,18,776; B.Sc.Hons,PGD Personnel Management; 40; 10-Apr-06; Laifarge India Ltd & Industrial Relations; Vice President-Human Resource, SANTANU DAS; 51; Sr. General Manager - Sales & Marketing (WWR); 59,03,736; B.E (Met);28; 26-Dec-06; Adhunik Metaliks Ltd.; Deputy General Manager, SHAMPA GHOSH RAY; 44; Sr. General Manager - Company Secretary; 56,29,318; LLB & CS; 20; 01-Jun-16; Kesoram Industries Ltd.; Lead, Secretarial & Investor Services, MURARI LAL RATHI; 62; VP-Accounts & Commercial; 55,71,797; I.C.W.A; 42; 12-May-86; Associate Co of HDC, Calcutta; Accounts Assistant, CHIRANTAN CHATTERJEE; 50; Sr. General Manager- Export WWR; 53,26,089; B.E (Mech); 28; 01-Mar-03; SKF Bearings India Ltd.; Business Engineer, JAYANTA BHOWMIK; 53; Sr Vice.President-IT; 54,37,582; Diploma Electrical Engineering; 30; 24-Feb-16; Apeejay Surrendra Group; Mangement Development Program from XLRI; Chief Information Officer, S.B.N. SHARMA; 46; Vice President-Works; 50,18,912; B.E Mechanical,MBA; 25; 10-Jul-95; N.A

(B) Name of every employee who draws a remuneration of Rupees One Crore and two lakhs per annum and has not been mentioned in (A) above.

- NIL

(C) Employed for a part of the financial year and was in receipt of remuneration for any part of the year at a rate which in the aggregate was not less than Rs.850,000 per month.

KARUN KANT DAVE; 54; President-Mines; 1,23,30,160; Diploma (Mining & Mine Surveying); B.E. (Mining), MBM; Class 1 Mine Manager Certificate; MBA (Marketing) Executive Development Programme; 34; 02-Nov-15; Vedanta Ltd.; Chief Operating Officer - Lanjigarh Refinery, ROHIT NANDA; 47; Chief Financial Officer; 45,25,131; B.Com, C.A.; 25; 02-Nov-15; MTAR Technologies Pvt. Ltd.; Chief Financial Officer, DEBASISH MAZUMDAR; 56; President-Steel; 2,40,072; B.E (Metallurgy); 33; 01-Sep-11; Electrotherm India Limited; President-Works

Notes :

- (1) The terms of appointment of Managing Director, Joint Managing Director and Whole Time Director are contractual. All other appointment are non-contractual and terminable by notice on either side.
- (2) Gross Remuneration comprises salary, allowances, monetary value of perquisites, commission to the Directors and the Company's contribution to Provident and superannuation Funds but excludes contribution to Gratuity Fund on the basis of actuarial valuation as separate figures are not available.
- (3) None of the employees named above is a relative of any Director or Key Managerial Personnel of the Company except Mr Rajeev Jhawar who is a relative of Mr Brij K Jhawar, a Director of the Company.

On behalf of the Board of Directors

Place : Kolkata
Date : 6th June, 2020

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole time Director
DIN:02498037

Annexure to Directors Report Cont...

Information on Conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134 (3) of the Companies Act, 2013 read with Rule 8 of the Companies (Account) Rules, 2014 :

(A) Conservation of energy:

- i) Steps taken or impact on conservation of energy.
 - a) Conversion of DC motor drive by AC motor drive resulted in approximately 30% saving;
 - b) Replacement of conventional light by LED lights also resulted in saving of energy;
 - c) Plan to install all new ACs with Energy Efficient Five Star rating;
 - d) Plan to install sensor for automatic switch off of electrical appliances in toilets, meeting hall, office premises etc.
- ii) Steps taken by the Company for utilising alternate sources of energy:
 - a) Continuation of green building concepts have been taken by replacing opaque sheets with transparent sheet for roofing at chosen positions;
 - b) Using of briquette for water heating & energy conservation;
 - c) Evaluating usage of solar energy for energy conservation.
- iii) Capital investment on energy conservation equipment - NIL.

(B) Technology absorption:

- i) Efforts made towards technology absorption:
 - a) Introduction of biometric attendance system for employees;
 - b) Acquisition of new design & technology from external technology houses, collaboration with Indian Institute of Technology, Kharagpur.
- ii) Benefits derived like product improvement, cost reduction, product development or import substitution:
 - a) Working towards introduction of environment friendly consumables, lowering steel consumption, using environment friendly lubricants;
 - b) Steps taken to enhance performance of products compared to previously designed ropes;
 - c) Increased competitiveness in domestic & global market through low cost high quality products.
- iii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year):

Details of technology imported	Year of import	Whether the technology been fully absorbed	If not fully absorbed, areas where absorption has not taken place and the reasons thereof
Design of Special Nozzle for shaped wires	2019	Yes	-

(Rs. In Lakh)

iv)	Expenditure incurred on Research and Development	340.00
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(C) Foreign exchange earnings and Outgo:

(Rs. In Lakh)

i.	Foreign Exchange earned in terms of actual inflows during the year	39,670.89
ii.	Foreign Exchange outgo during the year in terms of actual outflows	699.07

On behalf of the Board of Directors

Place : Kolkata
Date : 6th June, 2020

Rajeev Jhavar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole time Director
DIN: 02498037

FORM NO. AOC-2*(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)***Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**1) Details of contracts or arrangements or transactions not at arm's length basis – **NIL**

a)	Name(s) of the related party and nature of relationship	-
b)	Nature of contracts/arrangements/transactions	-
c)	Duration of the contracts/arrangements/transactions	-
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	-
e)	Justification for entering into such contracts or arrangements or transactions	-
f)	Date of approval by the Board	-
g)	Amount paid as advances, if any:	-
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	-

2) Details of material contracts or arrangement or transactions at arm's length basis – **NIL**

a)	Name(s) of the related party and nature of relationship	-
b)	Nature of contracts/arrangements/transactions	-
c)	Duration of the contracts/arrangements/transactions	-
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	-
e)	Date(s) of approval by the Board, if any:	-
f)	Amount paid as advances, if any:	-

On behalf of the Board of Directors

Place : Kolkata
Date : 6th June, 2020**Rajeev Jhavar**
Managing Director
DIN: 00086164**Dhrub Jyoti Basu**
Whole time Director
DIN: 02498037

Annexure to Directors Report Cont...

Details in terms of Sections 134 (3) (q) and 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended) for the year ended 31st March, 2020:

Sl. No.	Requirement	Disclosure
i.	The ratio of remuneration of each Director to the median remuneration of employees of the Company for the Financial Year.	<p>a) Mr. Mukesh Rohatgi, Non – Executive, Independent Director, Chairman – 0.96:1*</p> <p>b) Mr. Brij Kishore Jhawar, Non – Executive, Promoter – Director – 0.37:1*</p> <p>c) Mr. Prashant Jhawar, Non – Executive, Promoter – Director – 0.07:1**</p> <p>d) Mr. Vijay Singh Bapna, Non – Executive, Independent Director – 0.52:1*[@]</p> <p>e) Mrs. Ramni Nirula, Non – Executive, Independent Director – 0.67:1*^{\$}</p> <p>f) Mr. Salil Singhal, Non – Executive, Independent Director – 0.74:1*[%]</p> <p>g) Mr. Jitender Balakrishnan, Non – Executive, Independent Director – 0.74:1*[%]</p> <p>h) Mr. Partha Sarathi Bhattacharyya, Non – Executive, Independent Director – 0.59:1*[%]</p> <p>i) Mr. Venkatachalam Ramakrishna Iyer, Non – Executive, Nominee Director – 0.59:1*</p> <p>j) Mr. Rajeev Jhawar, Managing Director – 22.04:1</p> <p>k) Mr. P K Jain, Joint Managing Director – 20.72:1*[#]</p> <p>* Constitutes of sitting fees only which are paid to every Non – Executive Director for attending Board and Committee meetings in which such Director is a member. # Ceased to be a Director with effect from 13th September, 2019. @ Appointed as a Director with effect from 27th May, 2019 \$ Appointed as a Director with effect from 26th July, 2019. % Ceased to be Directors with effect from 30th July, 2019. ## Deceased on 17th May, 2020</p>
ii.	Percentage Increase / (Decrease) in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the Financial Year.	<p>a) Mr. Mukesh Rohatgi, Non – Executive, Independent Director, Chairman – 44.44%*</p> <p>b) Mr. Brij Kishore Jhawar, Non – Executive, Promoter – Director – (16.67)%*</p> <p>c) Mr. Prashant Jhawar, Non – Executive, Promoter – Director – (80.00)%*^{\$}</p> <p>d) Mr. Vijay Singh Bapna, Non – Executive, Independent Director – Not Applicable*[@]</p> <p>e) Mrs. Ramni Nirula, Non – Executive, Independent Director – Not Applicable*[@]</p> <p>f) Mr. Salil Singhal, Non – Executive, Independent Director – (41.18)%*[#]</p> <p>g) Mr. Jitender Balakrishnan, Non – Executive, Independent Director – (52.38)%*[#]</p> <p>h) Mr. Partha Sarathi Bhattacharyya, Non-Executive, Independent Director- (46.67)%*[#]</p> <p>i) Mr. Venkatachalam Ramakrishna Iyer, Non – Executive, Nominee Director – 14.29%*</p> <p>j) Mr. Rajeev Jhawar, Managing Director – (5.39)%</p> <p>k) Mr. P K Jain, Joint Managing Director – (11.65)%^{\$\$}</p> <p>l) Mr. Rohit Nanda, Chief Financial Officer – Not Applicable^{&}</p> <p>m) Mr. Anirban Sanyal, Chief Financial Officer – Not Applicable^{&&}</p> <p>n) Mrs. Shampa Ghosh Ray, Company Secretary – 64.73%</p> <p>* Constitutes of sitting fees only which are paid to every Non – Executive Director for attending Board and Committee meetings in which such Director is a member. \$ Ceased to be a Director with effect from 13th September, 2019. @ Appointed as a Director with effect from 27th May, 2019. @@ Appointed as a Director with effect from 26th July, 2019. # Ceased to be Directors with effect from 30th July, 2019. \$\$ Deceased on 17th May, 2020. & Ceased to be the Chief Financial Officer of the Company from close of business on 9th April, 2019. Hence remuneration for the part of the FY 2019 – 20 are not comparable with FY 2018 – 19. && Appointed as Chief Financial Officer with effect from 10th April, 2019.</p>
iii.	Percentage increase in the median remuneration of employees in the Financial Year.	15.20
iv.	Number of permanent employees on the rolls of the Company.	559 [only officers of the Company as on 31st March, 2020 has been considered]
v.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	<p>Average percentage increase in salaries of employees[@] during the last Financial Year was 9.34% compared to 17.04% of decrease in the aggregate remuneration paid to managerial personnel (i.e. MD and JMD).</p> <p>@ the employees of the erstwhile Steel Business of the Company has not been taken into account for the FY ended 31st March, 2020.</p>
vi.	Affirmation that the remuneration is as per the Remuneration Policy of the Company.	Yes.

On behalf of the Board of Directors

Place : Kolkata
Date : 6th June, 2020

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole time Director
DIN: 02498037

EXTRACTS FROM THE NOMINATION AND REMUNERATION POLICY OF USHA MARTIN LIMITED

The philosophy for remuneration of Directors, Senior Management Personnel and all other employees of the Company is based on the commitment of fostering a culture of leadership with trust. The Remuneration Policy is aligned to this philosophy.

This Remuneration Policy has been prepared pursuant to the applicable provisions of the Act and SEBI LODR. In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the Company shall abide by the applicable law.

(i) DIRECTORS

A) Non-Executive Directors

- 1) **Sitting Fees:** Every Non-Executive Director of the Company shall be entitled to a sitting fees or such amount as may be decided by the Board for attending every Board Meeting and Committee Meeting in which such Director is a member in accordance with the provisions of the Act and SEBI LODR.
- 2) **Commission:** In case of adequate profit Non-Executive Directors shall be entitled to commission upto such percentage of the net profit calculated in the manner as prescribed and allowed under the Act. The above commission shall be apportioned in the manner as may be decided by the Board.
- 3) **Re-imbursment of travelling and hotel expenses:** Non-Executive Directors shall be entitled to reimbursement of expenses on account of travelling and hotel expenses for attending Board and / or Committee Meetings and / or visit to any place on Company's business.

B) Executive Directors

Remuneration payable to Executive Directors shall be fixed from time to time by the Nomination & Remuneration Committee, Board of Directors and Shareholders within the overall ceiling mentioned under the Act.

In case of loss or inadequate profits, the Executive Directors will receive the above remuneration as minimum remuneration subject to approval of Central Government, where applicable.

(ii) SENIOR MANAGEMENT PERSONNEL

The remuneration of Senior Management Personnel shall generally have the following constituents:

- Basic Salary
- House Rent Allowance
- Additional Allowance
- Special Allowance
- Conveyance
- Medical
- Leave Travelling Allowance
- Provident Fund
- Gratuity
- Superannuation

All senior management staff of the Company have fixed pay excepting the officers who are working in Company's subsidiaries or joint venture companies.

Senior Management Personnel are entitled to retiral benefits like gratuity, provident fund, superannuation, etc as per the Human Resource Policy of the Company. They are also entitled for benefits and perks as applicable as per Company's Policy.

The annual revision of the salary of Senior Management Personnel will be based on performance as per the annual plan of the preceding year and will be prepared and recommended by Recruitment Committee consisting of Managing Director, Whole-time Director/(s) and Head – Human Resources,

to the Nomination and Remuneration Committee of the Board of Directors of the Company.

(iii) OTHER EMPLOYEES

The Employees of the Company are basically divided into two categories viz. Non-Officers or Workmen and Officers or Executives. The Non-Officers or Workmen of the Company are unionised and their remuneration and other benefits are covered under the Long-term Settlement with Union, which is done in every 4 years. Besides the above, a Workman is entitled for a Production Incentive prevailing in the Plant, he is employed.

This Policy covers Officers/ Executives, which is explained below –

Officers of the Company are divided into 12-13 levels and all are having Fixed Salary based on the Components viz. Basic, House Rent Allowance, Conveyance, Additional Allowance, Special Allowance, Medical Allowance, Leave Travel Allowance and the contribution to the various Statutory/Retrial Benefits. The above components consist of the total Cost to the Company of the individual Officer. The yearly increment is given based on an Increment Matrix linked with the Appraisal Points, finalized by his immediate Superior and JMD/MD level. The yearly increments of DGM and above located at Plants will generally be finalised on recommendation of Plant Head based on performance and subsequently finalised by MD/JMD. Apart from the above, the Officers based in the Plants are entitled for Production Incentive. The following shall be considered for determining remuneration or revision of remuneration: -

A) Compensation Survey

To have an Officer Remuneration Survey of the Steel/Engineering Industry and to assess the present Compensation of the Officers given by the Company falls in what percentile of the highest paid Company. This Survey should also include the Entry Compensation of Graduate Engineer Trainees, Diploma Holder Trainees etc. It is also proposed to rationalize the so many prevailing grades of the Officers and align it with the similar Industry, so that Compensation Benchmarking can be more adequate and effective.

B) Salary Correction

The Salary Corrections are to be taken up during the annual increment. In this process, the high potential and high performing Officers are to be brought to the range of around 75 percentile of the best paid industry to raise the exit bar. The above average performers can be brought to 50-60 percentile or as decided by the Management. The average performers and below will get normal increment, if continued in the employment.

C) Introduction of Performance Pay

The General Manager and above (around 46 in number) are to be considered as Leadership positions in the Company. The position holders are generally Departmental Heads or other Key position holders in Commercial Departments. It is proposed that in case of future recruitment, the total Salary Package, which is a fixed salary is to be bifurcated into Fixed and Variable, linked with agreed quantifiable targets and overall performance of the Company unless otherwise decided jointly by the President (HR), Jt. Managing Director and Managing Director on case to case basis, as per the discretion of Management.

D) Rationalisation of Perquisites

Existing perquisites of the Company given to the Officers may be revisited as per the Human Resource Policy of the Company to be jointly decided by the President (HR), Jt. Managing Director and Managing Director.

REPORT ON CORPORATE GOVERNANCE

A. COMPLIANCE OF MANDATORY REQUIREMENTS

I. Company's Philosophy on Corporate Governance

The philosophy of the Company on Corporate Governance envisages attainment of high level of transparency, accountability and equity in all areas of its operations and interactions with customers, shareholders, investors, employees, government authorities and lenders.

II. Board of Directors

The Board of Directors of the Company as on 31st March, 2020 comprised of the following Directors:

Name of Directors	Promoter/ Executive/ Non Executive/ Independent	No. of Other* Directorships held	Name of other Listed Company in which Directorship is held & Category	Other committee positions held **		No. of Equity Shares held ⁵	Relationship between directors
				As Chairman	As Member including Chairmanship		
Mr. Mukesh Rohatgi [@]	Independent, Non-Executive, Chairman	None	-	None	None	NIL	None
Mr. Vijay Singh Bapna ^{&}	Independent, Non-Executive	5	MMP Industries Ltd., Independent Director Global Education Limited, Independent Director Lagnam Spintex Limited, Independent Director	3	6	Nil	None
Mrs. Ramni Nirula ^{&}	Independent, Non-Executive	6	HEG Limited, Independent Director PI Industries Limited, Independent Director CG Power and Industrial Solutions Limited, Independent Director DCM Shriram Limited, Independent Director	-	5	Nil	None
Mr. Venkatachalam Ramakrishna Iyer	Non-Executive, Nominee of State Bank of India (Lender)	1	Canara Bank, Independent Director	1	1	Nil	None
Mr. Brij Kishore Jhavar	Non-Executive, Promoter	0	-	None	None	9,45,865	Father of Mr. Rajeev Jhavar
Mr. Rajeev Jhavar	Managing Director, Promoter	3	Orient Cement Ltd., Independent Director	1	3	40,92,187	Son of Mr. Brij Kishore Jhavar
Mr. Pravin Kumar Jain [%]	Jt. Managing Director, Executive	4	-	1	1	10,000	None

Mr. Ghyanendra Nath Bajpai, Non-Executive Independent Director (aged about 76 years) who was also the Chairman of the Board and of the Company ceased to be a Director of the Company with effect from 1st April 2019. Mr. Basant Kumar Jhavar, Non Executive Chairman Emeritus (aged about 83 years) ceased to be a director of the Company with effect from 1st April, 2019 as requisite approval from the shareholders for his continuance as a Director beyond 31st March 2019 was not received at the Extra Ordinary General Meeting held on 30th March 2019. Mr. Prashant Jhavar, Non-Executive Promoter resigned from the Board of Directors with effect from 13th September, 2019. Further, Mr. Salil Singhal, Mr. Jitender Balakrishnan and Mr. Partha Sarathi Bhattacharyya ceased to be Independent Directors of the Company on completion of their tenure of 5 years on 30th July, 2019.

[@] The Board of Directors at its meeting held on 20th January, 2020, had appointed Mr. Mukesh Rohatgi, Independent Director as Non-Executive Chairman of the Board and of the Company and re-appointed Mr. Pravin Kumar Jain as Joint Managing Director for a term of one year i.e. 1st February, 2020 till 31st January, 2021.

[&] Mr. Vijay Singh Bapna was appointed as Independent Director of the Company for a term upto four consecutive years commencing from 27th May, 2019 and Mrs. Ramni Nirula was appointed as Independent Director of the Company for a term upto five consecutive years commencing from 26th July, 2019.

[%] Mr. Pravin Kumar Jain, Joint Managing Director expired on 17th May, 2020.

Mr. D J Basu has been appointed as an Additional Whole Time Director of the Company with effect from 6th June, 2020.

* Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 ("the Act"), have not been considered for this purpose. Listed entities have been identified from confirmations / declarations received from respective Directors and Corporate Identification Number (CIN) as available on the Ministry of Corporate Affairs' (MCA) website for companies.

** Only two Committees viz, Audit Committee and Stakeholders Relationship Committee have been considered for this purpose.

\$ Apart from holding equity shares, Non – Executive Directors are not holding any convertible instruments of the Company.

All Independent Directors have confirmed their 'Independence' to the Board of the Company in accordance with the provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ["SEBI (LODR)"]. All Independent Directors have also confirmed that their names are duly registered in the data bank of Independent Directors as maintained by the Indian Institute of Corporate Affairs in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. At the financial year-end, declarations have been received from Directors informing their directorship and committee positions occupied in other companies.

Details of familiarization programmes for Independent Directors of the Company are provided under 'Investor' section of the Company's website at www.ushamartin.com.

As per stipulations in Para VII of the Code for Independent Directors in Schedule IV of the Act and as per SEBI (LODR), a separate meeting of the Independent Directors was held on 27th May, 2019 and was attended by all Independent Directors.

Directors Attendance at Board Meetings and Annual General Meeting

Seven Board Meetings were held during the year on 8th April, 2019, 27th May, 2019, 26th July, 2019, 21st September, 2019, 9th November, 2019, 20th January, 2020 and 6th February, 2020. Annual General Meeting [AGM] was held on 21st September, 2019.

Name of Directors	Board Meetings during the year/ tenure		Attendance at last AGM
	Held	Attended	
Mr. Prashant Jhavar*	3	1	-
Mr. Brij Kishore Jhavar	7	2	No
Mr. Rajeev Jhavar	7	7	Yes
Mr. Salil Singhal**	3	3	-
Mr. Jitender Balakrishnan**	3	3	-
Mr. Partha Sarathi Bhattacharyya**	3	3	-
Mr. Venkatachalam Ramakrishna Iyer	7	7	No
Mr. Mukesh Rohatgi	7	6	Yes
Mr. Pravin Kumar Jain ***	7	6	Yes
Mr. Vijay Singh Bapna	6	5	Yes
Mrs. Ramni Nirula	5	5	Yes

* Mr. Prashant Jhavar, Non-Executive Promoter resigned from the Board of Directors with effect from 13th September, 2019.

**Mr. Salil Singhal, Mr. Jitender Balakrishnan and Mr. Partha Sarathi Bhattacharyya ceased to be Independent Directors of the Company on completion of their tenure of appointment as Independent Directors for a period of 5 years on 30th July, 2019.

***Mr. Pravin Kumar Jain expired on 17th May 2020.

Code of Conduct

Pursuant to provisions of SEBI (LODR), the Board has framed a "Code of Conduct for Board of Directors and Senior Management" ("Code of Conduct") which is available on the Company's website at www.ushamartin.com. All Directors and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct as at 31st March, 2020. A declaration to this effect signed by the Managing Director is annexed to this report.

III. Audit Committee

The terms of reference of the Audit Committee include the powers and roles as set out in SEBI (LODR) and Section 177 of the Act. Among others the Audit Committee reviews related party transactions; internal control systems; financial statements and investments made by unlisted subsidiaries; use and application of funds raised through issue of shares, if any; business plans; implementation

of risk management systems; management discussion and analysis of financial condition and results of operations.

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Board has approved the modification of "Code of Conduct for Prevention of Insider Trading" (Code) and authorised the Audit Committee to implement and monitor various requirements as set out in the Code.

Five Meetings of the Audit Committee were held during the year on 8th April, 2019, 27th May, 2019, 26th July, 2019, 9th November, 2019 and 6th February, 2020.

Composition of the Audit Committee and attendance during the year:

Particulars			No. of Meetings	
			Held	Attended
Mr. Vijay Singh Bapna*	Chairman	Independent, Non-Executive	2	2
Mr. Mukesh Rohatgi**	Member	Independent, Non-Executive	2	2
Mr. P K Jain***	Member	Jt. Managing Director, Executive	4	2
Mr. Jitender Balakrishnan®	Chairman	Independent, Non-Executive	3	3
Mr. Salil Singhal®	Member	Independent, Non-Executive	3	3

*Mr. Vijay Singh Bapna was inducted as the Chairman of the Committee in place of Mr. Jitender Balakrishnan w.e.f. 26th July, 2019.

**Mr. Mukesh Rohatgi was inducted as member of the Committee in place of Mr. Salil Singhal w.e.f. 26th July, 2019.

***Mr. P K Jain was inducted as member w.e.f. 22nd May, 2019 and expired on 17th May, 2020. Subsequently, Mr. Rajeev Jhavar was appointed as a member of the Committee w.e.f. 25th May, 2020.

@ Mr. Jitender Balakrishnan and Mr. Salil Singhal ceased to be members of the Committee w.e.f. 26th July, 2019.

All the members of the Audit Committee are financially literate with considerable knowledge and expertise in finance and accounts.

The Managing Director, Chief Financial Officer and Business Heads of the Company, attend Meetings of the Audit Committee as invitees, as and when required.

The Statutory Auditors remain present during discussion and review of quarterly results and annual financial statements as invitees in Meetings of the Audit Committee. The Internal Auditors and Cost Auditors are invited to attend Meetings, as and when required.

The Company Secretary acts as the Secretary to the Audit Committee.

Mr. Vijay Singh Bapna, Chairman of the Audit Committee was present at last Annual General Meeting held on 21st September, 2019.

IV. Nomination and Remuneration Committee

The terms of reference of the Nomination and Remuneration Committee include the role set out in the SEBI (LODR) and Section 178 of the Act. Among others, the Committee shall formulate criteria for determining qualifications, positive attributes and independence of a Director; recommend a Policy relating to the remuneration of Directors, Key Managerial Personnel and other employees; review and recommend to the Board all remuneration payable to the Key Managerial Personnel and Senior Management; formulate criteria for evaluation of Independent Directors and the Board; devise a Policy on Board diversity and identify persons who are qualified to become Directors as well as who may be appointed as Senior Management Personnel.

Four Meetings of the Nomination and Remuneration Committee were held during the year on 8th April, 2019, 27th May, 2019, 26th July, 2019, and 20th January, 2020.

Mrs. Ramni Nirula, Chairperson of Nomination & Remuneration Committee was present at last Annual General Meeting held on 21st September, 2019.

Composition of the Nomination and Remuneration Committee and attendance during the year were as under:

Particulars			No. of Meetings	
			Held	Attended
Mrs. Ramni Nirula*	Chairperson	Independent, Non-Executive	1	1
Mr. Mukesh Rohatgi*	Member	Independent, Non-Executive	1	1
Mr. Venkatachalam Ramakrishna Iyer*	Member	Non-Executive, Nominee	1	1
Mr. Jitender Balakrishnan**	Chairman	Independent, Non-Executive	3	3
Mr. P S Bhattacharyya***	Member	Independent, Non-Executive	2	2
Mr. Salil Singhal**	Member	Independent, Non-Executive	3	3

*The Committee was reconstituted on 26th July, 2019 by inducting Mr. Mukesh Rohatgi as Chairman – Member and Mrs. Ramni Nirula and Mr. Venkatachalam Ramakrishna Iyer as Members of the Committee. Subsequently, Mrs. Ramni Nirula was designated as Chairperson of the Committee in place of Mr. Mukesh Rohatgi effective 20th January, 2020.

**Mr. Jitender Balakrishnan and Mr. Salil Singhal ceased to be members of the Committee w.e.f. 26th July, 2019.

***Mr. P S Bhattacharyya was inducted as member w.e.f. 22nd May, 2019 in place of Mr. G N Bajpai who ceased to be a Director of the Company with effect from 1st April 2019. Further, Mr. Bhattacharyya ceased to be a member of the Committee 26th July, 2019.

Performance Evaluation

Every Director of the Company individually evaluates performance of other Directors and submits their report to the Chairman of Nomination & Remuneration Committee based upon parameters like attendance and participation in discussion at Meetings and use of independent judgment. Thereafter on such individual assessment made by the Directors, the Chairman of Nomination & Remuneration Committee provides an overall report to the Chairman of the Board.

Remuneration Policy

The Company has a Remuneration Policy for Directors, Senior Management Personnel and other employees.

The aforementioned remuneration policy inter-alia covers salary, perquisites and retiral benefits payable to Executive Directors, Senior Management Personnel and other employees of the Company.

A copy of the same is annexed to the Directors Report and is also available on the Company's website at www.ushamartin.com/investor.

The break-up of remuneration paid to the Managing Director and Joint Managing Director for the Financial Year 2019-20 is given below:

(Rs. In Lakh)

Names	Mr. Rajeev Jhavar*	Mr. Pravin Kumar Jain**
Position	Managing Director	Jt. Managing Director
Period	FY 2019-20	FY 2019-20
Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	106.00	127.20
Value of perquisites u/s 17(2) of the Income-tax Act, 1961	23.63	12.94
Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-
Others (includes PF, Gratuity, GPA, etc.)	19.44	-
Commission	-	-
Total	149.07	140.14
Service Contract	For a period from 19th May, 2013 to 18th May, 2018 which was further renewed till 18th May 2023.	For a period from 5th February 2019 to 31st January, 2020 which was further renewed from 1st February, 2020 till 31st January, 2021.
Notice Period	6 months' from either side	3 months' from either side
Severance Fees	6 months' salary in lieu of notice.	3 months' salary in lieu of notice.
Stock Options	None	None

*Mr. Rajeev Jhavar was re-appointed as Managing Director of the Company for a period of 5 years effective from 19th May, 2018 to 18th May, 2023. The remuneration to be paid to Mr. Jhavar shall not exceed Rs. 1.48 Crore per annum as minimum remuneration (computed with reference to the 'effective capital' of the Company and as provided under Part II of Section II of Schedule V of the Act) for the period commencing from 19th May, 2018 till 18th May, 2021. The said re-appointment and remuneration payable to Mr. Jhavar was approved by the shareholders at the Thirty Second Annual General Meeting of the Company held on 18th September, 2018.

**Mr. Pravin Kumar Jain was re-appointed as Joint Managing Director [Wire & Wire Rope Business] effective 5th February, 2019 to 31st January, 2020 which was subsequently approved by the shareholders at the Extra Ordinary General Meeting held on 30th March, 2019. Further, the Nomination & Remuneration Committee and Board of Directors, at their respective Meetings held on 20th January, 2020 subject to approval of shareholders, have approved the re-appointment of Mr. Pravin Kumar Jain as Joint Managing Director for a period of about 1 year effective from 1st February, 2020 to 31st January, 2021. However, Mr. Jain passed away from brief illness on 17th May, 2020. The remuneration paid to Mr. Jain till 16th May, 2020 does not exceed Rs. 1.40 Crore per annum (computed with reference to the 'effective capital' of the Company and as provided under Part II of Section II of Schedule V of the Act) for the said period. Resolution for approval of shareholders for ratification of the remuneration paid to him shall be placed at the forthcoming Annual General Meeting of the Company.

Accordingly both Mr. Rajeev Jhavar and Mr. Pravin Kumar Jain were paid minimum remuneration for the Financial Year 2019-20. Further, in accordance with Schedule V of the Act, the minimum remuneration determined does not include the Company's 'Contribution to Provident Fund' and 'Contribution to

Gratuity Fund'. No stock options have been given to any of the Directors.

The break-up of remuneration paid to each of the Non-Executive Directors for the Financial Year 2019-20 is given below:

(Rs. In Lakh)

Name of Non – Executive Directors	Sitting Fees	Commission
Mr. Brij Kishore Jhawar	2.50	-
Mr. Prashant Jhawar [resigned w.e.f. 13.09.2019]	0.50	-
Mr. Salil Singhal [ceased w.e.f. 30.07.2019]	5.00	-
Mr. Jitender Balakrishnan [ceased w.e.f. 30.07.2019]	5.00	-
Mr. Partha Sarathi Bhattacharyya [ceased w.e.f. 30.07.2019]	4.00	-
Mr. Venkatachalam Ramakrishna Iyer	4.00	-
Mr. Mukesh Rohatgi	6.50	-
Mr. Vijay Singh Bapna [appointed w.e.f. 27.05.2019]	3.50	-
Mrs. Ramni Nirula [appointed w.e.f. 26.07.2019]	4.50	-
Total	35.50	-

In case of profits, Non-Executive Directors, are from time to time paid commission in accordance with the provisions of the Act with necessary approval. No such payment was made to Directors during the Financial Year 2019-20.

The criteria for making payments to Non-Executive Directors is available under the 'investor' section of the Company's website at www.ushamartin.com.

Apart from the above, no other pecuniary relationships (including stock options) or transactions vis-à-vis the Company exists with any Director.

V. Stakeholders Relationship Committee

In accordance with the provisions of the Act and SEBI (LODR) the Company has a Stakeholders Relationship Committee, the terms of reference of this Committee inter-alia includes considering and resolving grievances of stakeholders and speedy disposal of requests received from security holders and approving transfer and transmission of shares, issuance of duplicate share certificates, other documentation and activities related to shares. Mr. Mukesh Rohatgi, Independent Non-Executive Director is the Chairman of the Committee. During the year, the Committee met four times on 27th May, 2019, 26th July, 2019, 9th November, 2019 and 6th February, 2020.

Mr. Mukesh Rohatgi, Chairman of the Stakeholders' Relationship Committee was present at last Annual General Meeting held on 21st September, 2019.

Composition of the Stakeholders' Relationship Committee and attendance during the year:

Particulars			No. of Meetings	
			Held	Attended
Mr. Mukesh Rohatgi*	Chairman	Independent, Non-Executive	2	2
Mr. Rajeev Jhawar®	Member	Managing Director, Promoter	4	4
Mr. Partha Sarathi Bhattacharyya®	Chairman	Independent, Non-Executive	2	2
Mr. Brij K Jhawar	Member	Non-Executive, Promoter	4	2
Mr. Pravin Kumar Jain**	Member	Jt. Managing Director, Executive	4	3

*Mr. Mukesh Rohatgi was inducted as the Chairman of the Committee in place of Mr. P S Bhattacharyya w.e.f. 26th July, 2019.

@ Mr. P S Bhattacharyya was inducted as Chairman w.e.f. 27th May, 2019 in place of Mr. G N Bajpai who ceased to be a Director of the Company with effect from 1st April 2019. Further, with effect from 27th May, 2019 Mr. Rajeev Jhawar was inducted as a member of the Committee.

** Mr. P K Jain expired on 17th May, 2020. Consequently, Mr. D J Basu has been appointed as a member of the Committee w.e.f. 6th June, 2020.

Status of complaints of shareholders is given hereunder:

Complaints pending as on 1st April, 2019	NIL
Number of complaints received during year ended 31st March, 2020	32
Number of complaints attended to/resolved during the year	32
Complaints pending as on 31st March, 2020	NIL

Compliance Officer : Mrs. Shampa Ghosh Ray, Company Secretary
2A, Shakespeare Sarani
Kolkata 700 071.
Phone : 033 71006300; Fax : 033 71006415
Email : investor@ushamartin.co.in

VI. Corporate Social Responsibility Committee

As on 31st March, 2020, the Corporate Social Responsibility Committee comprised of Mr. Brij Kishore Jhawar (Chairman, Non-Executive Director), Mr. Pravin Kumar Jain (Member, Jt Managing Director, Executive) and Mrs. Ramni Nirula (Member, Independent Non-Executive Director). The Committee assists the Board in discharging the responsibilities towards making the Company a responsible corporate citizen in accordance with the provisions of the Act and Rules made thereunder. During the year under review, the Committee had met once on 9th November, 2019. During the year under review, Mr. Partha Sarathi Bhattacharyya and Mr. Pravin Kumar Jain was inducted as Chairman and Member respectively on 27th May, 2019. Thereafter, on 26th July, 2019, the Committee was further reconstituted by designating Mr. Brij Kishore Jhawar as the Chairman of the Committee and inducting Mrs. Ramni Nirula as member of the Committee in place of Mr. P S Bhattacharyya. Due to sudden and sad demise of Mr. P K Jain on 17th May, 2020 he ceased to be a member of the Committee. Mr. D J Basu has been inducted as a member of the Committee w.e.f. 6th June, 2020.

VII. Finance Committee

The Finance Committee of the Board of Directors as on 31st March, 2020 comprised of Mr. Mukesh Rohatgi (Independent Non-Executive Director) as Chairman, Mrs. Ramni Nirula (Independent Non-Executive Director), Mr. Rajeev Jhawar (Managing Director) and Mr. Pravin Kumar Jain (Joint Managing Director) (deceased on 17th May, 2020) as Members to inter-alia assist the Board in discharging its' financial decision making responsibilities. During the year, the Committee met twice on 9th November, 2019 and 6th February, 2020. During the year under review upon cessation of Mr. G N Bajpai as Chairman w.e.f. 1st April, 2019, Mr. Jitender Balakrishnan was designated as Chairman while Mr. Mukesh Rohatgi and Mr. Partha Sarathi Bhattacharyya were inducted as Members of the Committee w.e.f. 27th May, 2019. Mr. Jitender Balakrishnan and Mr. Partha Sarathi Bhattacharyya ceased to be members of the committee on 26th July, 2019. On 26th July, 2019, Mr. Mukesh Rohatgi was designated as Chairman of the Committee and Mrs. Ramni Nirula was inducted as a member. Mr. D J Basu has been inducted as a member of the Committee w.e.f. 6th June, 2020.

During the year under review, two Committees being Investment & Strategy Committee and Risk Management Committee, both of which were non-statutory committees were dissolved. The role of the said Committees were included in the role of other statutory sub-committees of the Board. Further, upon completion of slump sale of Steel Business to Tata Steel Long Products Limited (formerly known as Tata Sponge Iron Limited), the Committee of Independent Directors which

was formed mainly with the objective to deleverage the balance sheet of the Company, was dissolved with effect from 26th July, 2019.

VIII. General Meetings

Date	Type	Venue	Time	No. of Special Resolutions
21st September, 2019	AGM	Kala Kunj, Kolkata	11.00 A.M.	-
30th March, 2019	EGM	Vidya Mandir, Kolkata	11.00 A.M.	2
10th November, 2018	EGM	Vidya Mandir, Kolkata	10.45 A.M.	1
18th September, 2018	AGM	Vidya Mandir, Kolkata	11.30 A.M.	1
21st September, 2017	AGM	Vidya Mandir, Kolkata	11.30 A.M.	1

During the year under review, no Resolution was passed by postal ballot and there is no proposal pending as on date for approval as Special Resolution through Postal Ballot.

IX. Disclosures

- There were no materially significant related party transactions (i.e. transactions of the Company of material nature), in potential conflict with interests of the Company at large. Transactions with related parties are disclosed in Note 32 to the Accounts in Annual Report.
- There were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter relating to Capital Market during last three years.
- The Board of Directors has adopted a Vigil Mechanism and Whistle Blower Policy to provide a framework to promote responsible and secure reporting of undesirable activities. During the year under report, there was no reporting of any undesirable activity by any person. No personnel of the Company have been denied access to the Audit Committee.
- During the Financial Year 2019-20, all mandatory requirements have been complied with.
- The Company has complied with all other requirements specified in Regulation 17 to 27 and Clause (b) to (i) of Sub Regulation (2) of Regulation 46 of SEBI (LODR). However due to delay in appointment of woman director subsequent to resignation of woman director and a delay by one day in filing of quarterly corporate governance report, the Company has paid requisite fine to the stock exchanges.
- Various Policies and Codes including that of material subsidiaries, vigil mechanism and related party transactions are available under the 'investor' section of the Company's website at www.ushamartin.com.
- Management Discussion and Analysis is annexed to the Directors' Report to shareholders and forms part of Annual Report.
- In order to manage the Company's Foreign Exchange exposure, the Company has in place a Policy on Foreign Exchange Management for the management of corporate foreign exchange risk by defining its exposures, measuring them and defining appropriate actions to control the risk. The intent of this Policy is to minimize, to the extent possible, any adverse effect on the Company's earnings or fair values of assets and liabilities, without exposing the Company to any material risks associated with the transactions, which could be regarded as speculative. In terms of the Policy, generally forward contracts are used to cover exposures. However, other hedging techniques may be used like Currency Swaps and Currency Options etc. in consultation with management. The Company is not engaged in commodity hedging activities.
- As per disclosures received from Senior Management Personnel, they have not entered into any material, financial or commercial transactions which may have a potential conflict with interests of the Company at large.
- The Board of Directors has confirmed that in their opinion the Independent

Directors fulfill the conditions specified in SEBI (LODR) and are independent of the Management.

- The Long Term Bank Facilities of the Company were continued to be rated by India Ratings & Research Private Limited and during the year under review the rating was revised from IND BB+ to IND BBB+ and rating of IND A2+ was assigned to the short term credit facilities by the aforesaid rating agency..
- A certificate that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or to continue as Director of any Company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority has been obtained from a Company Secretary in Practice which forms part of this Report.
- During the year under review the Company did not raise any fund through preferential allotment or Qualified Institutional Placement.
- During the year under review there were no instances of the Board not accepting the recommendations made to it by any of the statutory sub-committees of the Board.
- The requisite disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 have been provided separately in this Annual Report.
- Total fees for all services paid by the Company to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part has been disclosed in Note 27(ii) to the Accounts in Annual Report. The Statutory Auditor of the Company does not render independently any services to any subsidiaries or associates of the Company.
- In terms of SEBI (LODR), the Company identified the list of core skills / expertise / competencies as is required in the context of the Company's business(es) and sector(s) for it to function effectively and those which are actually available with the Board. The specific areas of skills/expertise/competencies of individual Board members are given hereunder:

Name of Directors	Identified Skill / Knowledge set for Directors				
	Operations Management	Finance/ Accounting/ Legal	Strategy Development	Industry Related experience	General Management
Mr. G N Bajpai *	✓	✓	✓	X	✓
Mr. Brij K Jhawar	✓	X	✓	✓	✓
Mr. J Balakrishnan **	✓	✓	✓	X	✓
Mr. Salil Singhal **	✓	✓	✓	X	✓
Mr. Partha Sarathi Bhattacharyya **	✓	✓	✓	✓	✓
Mr. Mukesh Rohatgi	✓	✓	✓	✓	✓
Mr. R Venkatachalam	✓	✓	✓	X	✓
Mr. Prashant Jhawar ***	✓	X	✓	✓	✓
Mr. Rajeev Jhawar	✓	X	✓	✓	✓
Mr. P K Jain ^	✓	✓	✓	✓	✓
Mr. Vijay Singh Bapna @	✓	✓	✓	✓	✓
Mrs. Ramni Nirula #	✓	✓	✓	X	✓

* ceased to be a director w.e.f 1st April 2019

** ceased to be directors w.e.f. 30th July, 2019.

*** Resigned w.e.f. 13th September, 2019

^ Deceased on 17th May 2020

@ Appointed w.e.f. 27th May, 2019

Appointed w.e.f. 26th July, 2019

X. Means of communication

- The Company regularly intimates un-audited quarterly and audited annual financial results to Stock Exchanges immediately after they are approved and taken on record by the Board. During the year, the financial results were published in leading national newspapers viz. Financial Express (English editions) and Dainik Statesman (Bengali editions).
- The financial results and official press releases are also posted on the Company's website www.ushamartin.com.
- As and when presentations are made to media, analysts, institutional investors and fund managers, the same are posted on the Company's website.
- Apart from statutory announcements, the Company shares information relating to financial performance with public and investors through press releases, business newspapers and magazines as and when required.

XI. General Shareholders' Information

(a) Date, time and venue of Annual General Meeting

The Thirty-fourth Annual General Meeting of the Company will be held on 23rd September, 2020 at 11.30 AM (IST), through Video Conferencing / Other Audio Visual Means.

(b) Financial Calendar

Financial Year ended 31st March, 2020	Meetings held on	Next Financial Year ending 31st March, 2021	Meetings to be held on or before
First Quarter Results – June, 2019	26th July, 2019	First Quarter Results – June, 2020	14th August, 2020
Second Quarter Results – September, 2019	9th November, 2019	Second Quarter Results – September, 2020	14th November, 2020
Third Quarter Results – December, 2019	6th February, 2020	Third Quarter Results – December, 2020	13th February, 2021
Audited Results for the year ended 31st March, 2020	6th June, 2020*	Audited Results for the year ended 31st March, 2021	29th May, 2021

*The meeting was held by virtue of SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated 19th March 2020 which inter-alia gave relaxation for approval of results for the quarter and year ended 31st March, 2020 beyond the stipulated sixty days from the end of the financial year and Companies (Meeting of Board and its Powers) Amendment Rules, 2020 dated 19th March, 2020 in connection with holding of Board Meetings through Video Conferencing.

(c) Book Closure Dates

The Share Transfer Books and Register of Members will be closed from 17th September, 2020 till 23rd September, 2020 (both days inclusive).

(d) Dividend Payment Date

No dividend has been recommended during the year.

(e) Stock Exchanges where the Company's shares are listed and the Scrip Code numbers:

Sl. No.	Name of the Exchange	Scrip Code
1)	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	517146
2)	National Stock Exchange of India Ltd. Exchange Plaza, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051	USHAMART
3)	Societe de la Bourse de Luxembourg (For GDRs) 35A Boulevard Joseph II, L-1840, Luxembourg	US9173002042

The listing fees for all above stock exchanges have been duly paid for Financial Year 2019-20.

(f) Stock Market Price Data

Month	BSE (Rs/Share)		NSE(Rs/Share)		VOLUME		TOTAL VOLUME
	HIGH PRICE	LOW PRICE	HIGH PRICE	LOW PRICE	BSE	NSE	
2019							
April	43.30	32.45	44.00	32.30	14,64,926	2,01,04,394	2,15,69,320
May	34.50	30.35	34.65	30.30	7,45,354	81,92,977	89,38,331
June	32.50	26.10	32.55	26.00	9,08,784	78,69,902	87,78,686
July	32.35	26.15	32.40	26.00	15,46,927	89,28,388	1,04,75,315
August	29.05	21.50	29.25	22.20	7,07,738	1,22,25,652	1,29,33,390
September	30.45	24.60	30.40	24.55	8,78,885	1,58,53,413	1,67,32,298
October	29.35	25.00	29.70	25.25	8,57,838	56,59,427	65,17,265
November	34.55	28.60	34.80	28.10	16,77,247	92,64,759	1,09,42,006
December	29.90	25.90	30.50	25.80	2,18,655	52,35,163	54,53,818
2020							
January	29.30	25.10	29.30	25.05	3,51,281	98,22,924	1,01,74,205
February	28.10	23.60	28.20	23.50	7,29,603	60,92,284	68,21,887
March	24.60	10.50	24.90	10.35	10,22,072	2,74,18,196	2,84,40,268

(g) Performance in comparison to broad based indices such as BSE Sensex and NSE Nifty

Month	Price at BSE (Rs./Share)	BSE Sensex	Price at NSE (Rs./Share)	NSE Nifty
2019				
April	32.70	39,031.55	32.55	11,748.15
May	30.75	39,714.20	30.80	11,922.80
June	30.45	39,394.64	30.45	11,788.85
July	29.15	37,481.12	29.25	11,118.00
August	27.45	37,332.79	27.70	11,023.25
September	26.85	38,667.33	27.05	11,474.45
October	28.65	40,129.05	28.65	11,877.45
November	29.80	40,793.81	29.85	12,056.05
December	26.95	41,253.74	27.00	12,168.45
2020				
January	25.45	40,723.49	25.50	11,962.10
February	23.80	38,297.29	23.85	11,201.75
March	16.00	29,468.49	16.00	8,597.75

(h) Registrar and Transfer Agent (both for demat and physical form of shares)

The contact details of the Registrar are as under:

MCS Share Transfer Agent Limited (Unit: Usha Martin Limited)

383, Lake Gardens, 1st Floor, Kolkata - 700045

Phone : +91 33 4072 4051/52/53

Fax : +91 33 4072 4050

Email : mcssta@rediffmail.com

Contact Person: Mr. Shankar Ghosh, Head–Eastern Region

(i) Share Transfer System

Requests for share transfers are registered and share certificates or receipts or advices, as applicable, of transfers are issued or any valid objection or intimation to the transferee or transferor, as the case may be, are issued within a time period of 15 (Fifteen) days from the date of receipt subject to the documents being valid and complete in all respects in accordance with the requirements of Regulation 40(3) of SEBI (LODR). The Company Secretary has been authorised to endorse physical share transfer and transmission on behalf of the Company.

Except in case of transmission or transposition of securities, SEBI w.e.f. 1st April, 2019 had mandated transfer of securities in dematerialised form only. However, the mandate of SEBI does not prohibit the shareholders from

holding the shares in physical form. Shareholder has the option of holding shares in physical form even after 1st April, 2019. However, any shareholder who is desirous of transferring shares (which are held in physical form) after 1st April, 2019 can do so only after the shares are dematerialized. In view of the above and the inherent benefits of holding shares in electronic form, the shareholders' holding shares in physical form are advised to opt for dematerialization at the earliest.

(j) Distribution of Shareholding as on 31st March, 2020

Range (No. of shares)	No. of Shareholders	%	Number of Shares	%
1-100	18,823	42.26	9,62,798	0.32
101-500	15,922	35.74	44,36,370	1.45
501-1000	4,330	9.72	36,13,271	1.19
1001-5000	3,860	8.66	93,89,759	3.08
5001-10000	653	1.47	50,75,813	1.66
10001 & above	957	2.15	28,12,63,769	92.30
Total	44,545	100	30,47,41,780	100
*Shareholding in Physical Form included in above	6,629	14.88	12,74,620	0.42

(k) Pattern of Shareholding as on 31st March, 2020

Category	No. of Shares	% of Total Shareholding
A Promoter Holding	13,91,97,063	45.68
B Public Holding		
- Mutual Fund	2,97,710	0.10
- Financial Institution / Banks	1,42,833	0.05
- Insurance Companies	30,79,103	1.01
- Foreign Institutional Investors / Foreign Portfolio Investors	2,52,04,514	8.27
- Bodies Corporate	4,82,37,866	15.83
- Individual	6,48,92,693	21.29
- IEPF	8,24,548	0.27
Total {B}	14,26,79,267	46.82
C GDRs (@)	2,28,65,450	7.50
GRAND TOTAL [A+B+C]	30,47,41,780	100.00

@ As on 31st March 2020 Promoters and Promoters Group are holding 36,48,716 GDRs (representing 1,82,43,580 Equity Shares).

(l) Dematerialisation of Shares and Liquidity

As at 31st March, 2020, 99.58% of total Equity Shares of the Company were held in electronic form with NSDL/CDSL. The Company's Equity Shares are being traded compulsorily in dematerialised form with effect from 21st March, 2000.

The ISIN of the Company's Equity Share is INE228A01035.

(m) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

As on 31st March, 2020, there were 45,73,090 Global Depository Receipts (GDRs) outstanding representing 2,28,65,450 Equity Shares.

(n) National Electronic Clearing Service (NECS)

The Company has extended the NECS facility to shareholders to enable them to receive dividend through electronic mode in their bank account. The Company encourages Members to avail this facility as NECS provides adequate protection against fraudulent interception and encashment of dividend warrants in transit and correspondence with the Company on revalidation /issuance of duplicate dividend warrants.

(o) Bank Details for Electronic Shareholding

Members are requested to notify their Depository Participant (DP) about the changes in the bank details. Members are requested to furnish complete details of their bank accounts including the MICR codes of their banks to their DPs.

(p) Furnish Copies of Permanent Account Number (PAN)

Members are requested to furnish their PAN to enable the Company to strengthen compliance with KYC norms and provisions of Prevention of Money Laundering Act, 2002 (as amended).

For transfer of shares in physical form, SEBI has made it mandatory for the transferee to submit a copy of PAN card to the Company / Registrar.

(q) Plant Location in India [as on 31st March, 2020]

Tatisilwai, Ranchi – 835 103

Hoshiarpur, Punjab – 146 024

Sri Perumbudur, Tamil Nadu – 602 105

(r) Address for Correspondence

(i) Usha Martin Limited

2A, Shakespeare Sarani, Kolkata 700 071

Phone : +91 33 71006300, Fax : +91 33 71006415

(ii) Person to be contacted for shareholder's queries / complaints

Mrs. Shampa Ghosh Ray, Company Secretary

2A, Shakespeare Sarani, Kolkata 700 071

Phone: +91 33 71006300, Fax: +91 33 71006415

Email: investor@ushamartin.co.in

B. STATUS OF ADOPTION OF THE NON MANDATORY REQUIREMENTS

Shareholder Rights

The Company from time to time uploads the quarterly and half – yearly financial performance on the website of the Company. However, the hard copies of the same are not sent to the shareholders.

Separate Chairperson and Chief Executive Officer

As on 31st March, 2020, the Board is headed by a Non – Executive Independent Chairman and his position is separate from that of the Managing Director.

Reporting of the Internal Auditor

The Internal Auditor of the Company reports to the Audit Committee.

Other Item

The items mentioned under Non Mandatory Requirements of SEBI (LODR) (as amended) are being reviewed and will be implemented by the Company as and when required or deemed necessary by the Board.

Declaration

As provided under SEBI (LODR), it is hereby declared that all Board Members and Senior Management Personnel of the Company have affirmed their compliance of the Company's "Code of Conduct for Directors and Senior Management Personnel" for Financial Year ended 31st March, 2020.

Place : Kolkata
Date : 6th June, 2020

Rajeev Jhavar
Managing Director
DIN: 00086164

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

- Corporate Identity Number (CIN) of the Company:
L31400WB1986PLC091621
- Name of the Company: Usha Martin Limited
- Registered Address: 2A Shakespeare Sarani, Kolkata – 700071
- Website: www.ushamartin.com
- E-mail id: investor@ushamartin.co.in
- Financial Year reported: 2019-20
- Sector(s) that the Company is engaged in (industrial activity code-wise):

Description	NIC Code
Wire, Wire Rope, Strands including Locked Coil Wire Ropes	3310

- List three key products/services that the Company manufactures/provides (as in balance sheet): Wire, Wire Rope, Strands including Locked Coil Wire Ropes.
- Total number of locations where business activity is undertaken by the Company
 - Number of International Locations (Provide details of major 5):
NIL (on a standalone basis).
 - Number of National Locations: 7 (Seven)
 - Plant and manufacturing facilities - 3
 - Registered office and Branches - 4
- Markets served by the Company – Local/State/National/International: The Company has a pan India market presence and also serves international markets.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

- Paid up Capital (INR): Rs. 304,741,780
- Total Turnover (INR): Rs. 16,904,753,589 (As on 31st March, 2020)
- Total profit after taxes (INR): Rs. 3,986,503,672 (As on 31st March, 2020) [for continuing operation].
- Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): Not Applicable (Please refer Annual CSR Report for the FY 2019-20 on Pg:31)
- List of activities in which expenditure in 4 above has been incurred:- Not Applicable

SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/ Companies? Yes, as on 31st March 2020 the Company has 19 subsidiaries which included step-down subsidiary companies.
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s): The subsidiary companies define their own initiatives based on

their specific content and have access to information and expertise residing with the parent company.

- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] : No

SECTION D: BR INFORMATION

- Details of Director/Directors responsible for BR:
 - Details of the Director/Director responsible for implementation of the BR policy/policies
 - DIN Number: 00086164
 - Name: Mr. Rajeev Jhawar
 - Designation: Managing Director
 - Details of the BR head

Sl. No.	Particulars	Details
1	DIN Number (if applicable)	02498037
2	Name	Mr. Dhruv Jyoti Basu
3	Designation	Whole-time Director
4	Telephone number	033 - 7100 6300
5	e-mail id	djbasu@ushamartin.co.in

- Principle-wise (as per NVGs) BR Policy/Policies: The National Voluntary Guidelines (NVGs) on Social, Environment and Economic Responsibilities of Business, issued by the Ministry of Corporate Affairs (MCA) advocates the nine principles (detailed below) as P1 – P9 to be followed:

P1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3: Businesses should promote the well-being of all employees.

P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

P5: Businesses should respect and promote human rights.

P6: Business should respect, protect, and make efforts to restore the environment.

P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8: Businesses should support inclusive growth and equitable development.

P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

Sl. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	NA	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies of the Company generally conform to the Principles of the National Voluntary Guidelines (NVGs) on Social, Environment and Economic Responsibilities of Business, issued by the Ministry of Corporate Affairs (MCA), Government of India in July, 2011								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	NA	Y	Y

Sl. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6	Indicate the link for the policy to be viewed online?	The policies are uploaded on the website of the Company at www.ushamartin.com under the segment 'Investor Relation'. The web link on which the policies can be viewed are www.ushamartin.com/investor-relation/ . Other internal policies are made available to its stakeholders as and when required.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	NA	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	NA	N	N

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	@	-	-

@The Company does not have a separate policy on "policy advocacy". For advocacy on policies related to its sector, the Company works through industry associations. The policy advocacy through these industry associations is done by sending representations to the regulatory authorities.

3. Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year: The BR performance of the Company is reviewed by the Board of Directors of the Company on an annual basis.
- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? The Company publishes the Business Responsibility Report as part of the Annual Report of the Company. The Annual Report is uploaded on the website of the Company www.ushamartin.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Sl. No.	Question	Answers
Principle 1		
1.	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs/Others?	To enhance the standards of ethical conduct, which are based on core Usha Martin group values, the Company has in place "Code of Conduct for the Board of Directors and Senior Management Personnel" ('Code'). The Code serves as a source of guiding principle for all Directors and Senior Management of the Company and empowers them to achieve good corporate governance by complying with all laws, rules and regulations applicable to the Company and fulfilling responsibilities towards all stakeholders. The Company continuously reviews and upgrades the procedures and practices. The Code does not extend to Group / Joint Venture / Suppliers / Contractors/ NGOs/ Others. However the Company ensures fair dealings with customers, suppliers, contractors and other stakeholders of the Company.
2.	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	During the Financial Year 2019 – 20, no complaint was received regarding ethical and other matters contained in this principle. Some of the promoters of the Company have filed a petition of oppression and mismanagement against the Company and its Managing Director and it is pending adjudication at NCLT Kolkata. The matter is sub-judice.

Sl. No.	Question	Answers
Principle 2		
1.	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities	Combination fishing rope
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	a) Combination fishing rope: The use of grease has been eliminated and ropes are now plasticated, which are comparatively safer for marine life. Switching to combination fishing rope from bare rope resulted in reduction of steel and grease consumption during production. b) These data are not tracked by the Company on a regular basis and therefore not applicable for this report.
3.	Does the company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	The Company has an adequate vendor management system and takes proper measures for identification and assessment of suppliers. Raw material, packing material and transportation services are sourced from approved suppliers. The Company endeavors to source its supplies in such a manner so as to minimise freight cost and avoid uncertainty. This also helps in improving/developing socio economic conditions including increase of employment, gives cost advantage in sourcing and also leads to lower diesel consumption, which in turn, reduces air pollution and helps conserve natural resources.
4.	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	To make the local and small producers an integral part of the supply chain, the Company procures certain material from local manufacturers surrounding the plant. Various training programmes for capacity and capability development are organized to encourage local vendors. Regular technical and design related guidance are imparted to develop manufacturing skills to meet the standards. Further, one to one meetings with suppliers are organised as and when required.
5.	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	The Company presently recycles waste oil, die soap & waste water for reuse of the same in production process. The percentage of recycling of products and waste is given below: <ul style="list-style-type: none"> ● Percentage of oil recycling: = 5-10% ● Percentage of soap recycling: = >15% ● Waste water recycling: = >10%
Principle 3		
1.	Please indicate the total number of employees	2,407 [permanent employees only]
2.	Please indicate the total number of employees hired on temporary / contractual / casual basis.	2,459
3.	Please indicate the number of permanent women employees.	14
4.	Please indicate the number of permanent employees with disabilities.	8
5.	Do you have an employee association that is recognized by management.	Yes, there are four labour unions.
6.	What percentage of your permanent employees is members of this recognized employee association?	75%
7.	Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	NIL
8.	What percentage of your under mentioned employees were given safety & skill up- gradation training in the FY 2019-20? a) Permanent Employees b) Permanent Women Employees c) Casual / Temporary / Contractual Employees d) Employees with Disabilities	a) 62.49% b) 28.57% c) 64.94% d) 75%

Sl. No.	Question	Answers
Principle 4		
1.	Has the company mapped its internal and external stakeholders? Yes/ No	Yes, the Company has mapped its internal and external stakeholders. The Company engages with all stakeholders including investors, customers and suppliers.
2.	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.	There are none to the best of our knowledge.
3.	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.	Not Applicable.
Principle 5		
1.	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?	The Company has in place policy on human rights issues which are recognized and respected for all the stakeholders within the company and outside the company as well.
2.	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	No complaint was received for human rights violation during reporting period.
Principle 6		
1.	Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ others.	The Company has in place Integrated Management System Policy which acts as a guiding principle to provide quality products and services keeping in mind the environmental concerns. The policy extends to the Company/ Suppliers/Contractors/ NGOs/others.
2.	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	The Company recognizes global environmental concerns and has taken various initiatives to address global environmental issues such as climate change, global warming, etc. Some of the initiatives undertaken by the Company are as follows: <ul style="list-style-type: none"> ● Use of LPG fired furnace; ● Utilising Biomass briquette for hot water generation; ● Use of energy efficient LED bulbs; ● Replacement of three phase motors installed at wire mill & furnace area by energy efficient motors, as required; ● Every year large number of tree plantations are carried out within the plant area and also in nearby villages under social forestry. A total of 3,300 plant saplings were planted during year 2019 with survival rate >90%. Further, the Environmental Management System implemented at the Company's factories situated in the States of Jharkhand and Punjab are certified by competent accreditation bodies in line with international standards such as to ISO 14001:2015 certification. Efforts are being taken to minimise emission, consumption of energy, water and raw materials and waste.
3.	Does the company identify and assess potential environmental risks? Y/N	Yes, the Company has an Environment Management System in place to identify and assess existing and potential risks across its operations.
4.	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	The Company does not have any project related to Clean Development Mechanism at present.
5.	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	'Elevator Shed' project has been undertaken, where energy efficiency is taken care of while selecting machines / sensor based illumination system / daylight utilization, etc.
6.	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	During the year under review the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB.
7.	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	At the end of the financial year there are two notices which are pending for adjudication with the concerned authorities.

Sl. No.	Question	Answers
Principle 7		
1.	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	Some of the major industry associations of which the Company is a member include: <ul style="list-style-type: none"> ● Steel Wire Manufacturers Association of India ● Bengal Chamber of Commerce and Industry ● Confederation of Indian Industry ● Federation of Indian Export Organisation ● Engineering Export Promotion Council of India ● Camera di Commercio di Brescia (Chamber of commerce in Brescia, Italy)
2.	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	The Company engages with these industry / trade associations actively participating and representing the Company in their programmes / meetings to promote a collaborative ecosystem focused on delivering sustainable value creation as well as gaining knowledge for informed decision making.
Principle 8		
1.	Does the company have specified programmes /initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	The Company has specified programmes for overall improvement of rural communities in and around the factory situated at Ranchi. The programme consists of village development in five pillars i.e, enhancing natural village development, safe drinking water and health with hygiene, capacity development through training, livelihood generation for women empowerment, and co-ordination with government programmes for implementation. The Company also encourages its suppliers and contractors to ensure inclusive growth and equitable development.
2.	Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures/any other organization?	The aforesaid programmes are implemented through an in-house CSR team. External agencies maybe engaged when felt necessary for capacity building and implementation of government schemes.
3.	Have you done any impact assessment of your initiative?	The impact assessment of the initiatives are undertaken by Citizen Foundation which is a notified agency by the Government of Jharkhand.
4.	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	As per the provisions of Section 135 of the Companies Act, 2013, the Company need not statutorily incur any social responsibility spending owing to absence of profits over the last three years. However, the Company directly contributes to community development in the following areas: Natural resource management, healthcare and sanitation, capacity building, income generation through livelihood activities and convergence and coordination with government programmes. The Company continuously strives to achieve equitable development in the vicinity of its manufacturing units.
5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	The Company has been targeting rural community for development and contributes for the following: <ul style="list-style-type: none"> ● Enhancement and strengthening capabilities of stakeholders. ● Promoting sharing and exchange of experience and innovation. ● Nurturing good practices and developing as a networking bridge of the company. ● Connecting with suitable service providers, both government and non-government.
Principle 9		
1.	What percentage of customer complaints / consumer cases are pending as on the end of financial year.	As at the end of the financial year 21.31% of the complaints raised by various customers were pending.
2.	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks (additional information)	Yes. Product information is mentioned on the tags attached with every piece of product.
3.	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	None. There have been no cases relating to unfair trade practices, irresponsible advertising and/or anticompetitive behaviour against the Company during the last five (5) years.
4.	Did your company carry out any consumer survey / consumer satisfaction trend	The Company interacts and obtains feedback from customers on a periodical basis regarding consumer satisfaction. Special initiatives like 'CVM' (Customer Value Management) is practiced judiciously to address the needs of the customers identified from time to time.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

**The Members of
Usha Martin Limited**
2A, Shakespeare Sarani
Kolkata - 700071
West Bengal

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Usha Martin Limited having CIN : L31400WB1986PLC091621 and having registered office at 2A, Shakespeare Sarani, Kolkata - 700071, West Bengal (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Ramni Nirula	00015330	26.07.2019
2.	Rajeev Jhawar	00086164	19.05.1998
3.	Brij Kishore Jhawar	00086200	27.10.2004
4.	Mukesh Rambihari Rohatgi	00136067	09.12.2016
5.	Venkatachalam Ramakrishna Iyer	02194830	04.11.2015
6.	Pravin Kumar Jain	02583519	27.07.2010
7.	Vijay Singh Bapna	02599024	27.05.2019

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

**For A. K. LABH & Co.
Company Secretaries**

(CS Atul Kumar Labh)
Practising Company Secretary
FCS – 4848 / CP – 3238
UDIN : F004848B000316841

Place : Kolkata
Dated : 6th June, 2020

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Usha Martin Limited

We have examined the compliance of conditions of Corporate Governance by Usha Martin Limited ("the Company") in terms of Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("Listing Regulations") for the year ended 31.03.2020.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations other than delay in appointment of Woman Director subsequent to resignation of the previous Woman Director on the Board of Directors of the Company and one day's delay in submission of Corporate Governance Report for the Quarter ended 31st March, 2019 with one of the Stock Exchanges.

The Company has duly paid all the fines imposed by the Stock Exchanges, where the shares of the Company are listed, for the non-compliance of the above during the financial year under report.

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

**For A. K. LABH & Co.
Company Secretaries**

(CS A. K. LABH)
Practising Company Secretary
FCS – 4848/ CP No -3238
UDIN : F004848B000316821

Place : Kolkata
Date : 6th June, 2020

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2020**

[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,
Usha Martin Limited
2A, Shakespeare Sarani
Kolkata – 700 071, West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Usha Martin Limited having its Registered Office at 2A, Shakespeare Sarani, Kolkata - 700071, West Bengal (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31.03.2020 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.

Auditors' Responsibility

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

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

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

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

We have relied upon the accuracy of the documents and information as shared by the Company with us through appropriate Information Technology tools to assist us in completing the secretarial audit work during lock down period due to unprecedented situation prevailing in the Country due to COVID-19 virus pandemic and the same is subject to physical verification by us post normalization of the situation.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of compliance procedures on test basis.

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

We report that, we have examined the books, papers, minute books, forms and

returns filed and other records maintained by the Company for the financial year ended 31.03.2020 according to the provisions of (as amended) :

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Act :

1. The Mines and Minerals (Development and Regulation) Act, 1957;
2. The Mines Act, 1952;
3. The Prevention and Food Adulteration Act, 1954;
4. The Petroleum Act, 1934 and the Petroleum Rules, 2002;
5. The Explosives Act, 1884;
6. Legal Metrology Act, 2009;
7. The Arms Act, 1959;
8. The Indian Boiler Act, 1923

to the extent of its applicability to the Company during the financial year ended 31.03.2020 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environmental laws, etc.

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

- a) There was over 3 months delay in appointment of Woman Director pursuant to Section 149 of the Act read with Rule 3 of The Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 subsequent to resignation of the previous Woman Director on 09.01.2019. The Company appointed the new Woman Director with effect from 26.07.2019.
- b) There was delay of one day in submission of Corporate Governance Report for the Quarter ended 31st March, 2019 with National Stock Exchange of India Limited pursuant to Regulation 27(2)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- c) There was delay of 18 days in modification of the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 which was to be made effective from 01.04.2019.

During the period under review, provisions of the following regulations guidelines/standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (ii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018;
- (iv) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; and
- (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

We further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Majority decision is carried through while the dissenting members' views, if

any, are captured and recorded as part of the minutes.

- (d) There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that:

- (a) The Company had received a letter dated 17.10.2019 from the Office of Regional Director (Ministry of Corporate Affairs) seeking information, particulars and documents towards inspection being initiated under Section 206(5) of the Act for which the Company has submitted the required documents and information.
- (b) Directorate of Enforcement, Patna has passed a provisional order on 09.08.2019 for provisional attachment of certain immovable properties of the Company valued at approximately Rs. 190 crores pertaining to the wire rope business situated at Ranchi. The Adjudicating Authority confirmed the above provisional order on 10.01.2020. The Company had filed applications for appeal and stay before the Appellate Tribunal, New Delhi and obtained a status quo order on 31st January, 2020 from the Tribunal on the aforesaid confirmed attachment order.
- (c) The application under Sections 241 and 242 of the Act filed during the financial year 2017-18 before the Hon'ble National Company Law Tribunal, Kolkata Bench, Kolkata against the Company and its Managing Director, Mr. Rajeev Jhawar is sub-judice and pending before the Hon'ble Bench.
- (d) In the light of heightened concern on spread of Covid-19 across the nation and as per the notifications issued by the Central / State Government(s), the Company had temporarily shut down operations at its Plants situated at Hoshiarpur (Punjab) and Ranchi (Jharkhand) with effect from the close of business hours on 23.03.2020 and 24.03.2020 respectively. However, the Company has resumed operations at both these Plants situated across the county in a gradual and phased manner with effect from 20.04.2020 in compliance of the directives issued and permissions granted by Central/ State Government(s) Authorities.

**For A.K. Labh & Co.
Company Secretaries**

(CS A.K. LABH)
Practicing Company Secretary
FCS No. 4848
CP. No. 3238
UDIN: F004848B000316808

Place : Kolkata
Date : 6th June, 2020

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Protection and Redressal) Act, 2013.

The Company has put in place a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in accordance with the requirement of the 'Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013'. In accordance with the above Policy. Internal Complaints Committee has been set up to redress complaints regarding sexual harassment. All employees of the Company are covered under the aforementioned Policy.

The summary of complaints received and disposed – off during the Financial Year 2019 – 20 were as under:

Number of complaints received	:	NIL
Number of complaints disposed – off	:	Not Applicable

**Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statement of subsidiary/associate companies/joint ventures
Part "A" : Subsidiaries**

(Rs. in Lakh)

Serial No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Name of the subsidiary	U/M Cables Limited	Usha Martin Power & Resources Limited	Bharat Minex Private Limited	Gustav Wolf Speciality Cords Limited	Usha Siam Steel Industries Public Company Limited	Usha Martin Americas Inc	Brunton Wolf Wire Ropes FZCo	Usha Martin Singapore Pte. Limited	Usha Martin Australia Pty Limited	PT Usha Martin Indonesia	Usha Martin Vietnam Company Limited	Usha Martin China Company Ltd	Usha Martin International Limited	De Ruiter Staalkabel BV Sliedrecht	Usha Martin Italia S.R.L. #	Usha Martin Europe B.V.	Usha Martin UK Limited	Brunton Shaw UK Limited	European Management and Marine Corporation Limited
Reporting period for the subsidiary	FY 2019 -20	FY 2019 -20	FY 2019 -20	FY 2019 -20	FY 2019 -20	FY 2019 -20	FY 2019 -20	FY 2019 -20	FY 2019 -20	FY 2019 -20	FY 2019 -20	FY 2019 -20	FY 2019 -20	FY 2019 -20	FY 2019 -20	FY 2019 -20	FY 2019 -20	FY 2019 -20	FY 2019 -20
Reporting Currency	INR	INR	INR	INR	THB	USD	AED	USD	A\$	USD	VND	CNY	GBP	EURO	EURO	EURO	GBP	GBP	GBP
Exchange Rate as on 31st March, 2020 (used for conversion C/Y Vs INR)	-	-	-	-	2.3062	75.6650	20.6031	75.6650	46.0762	75.6650	0.0032	10.6444	93.5068	82.7699	82.7699	82.7699	93.5068	93.5068	93.5068
Share Capital	1,113	5	20	15	3,298	3,027	3,915	433	92	76	203	328	5,525	15	8	15	3,600	-	-
Reserves and Surplus	776	(3)	(19)	239	9,455	1,786	4,813	10,094	1,267	1,075	295	(3,149)	3,714	6,373	219	128	23,031	-	-
Total Assets	6,677	2	38	738	31,579	6,970	15,201	24,590	2,946	2,537	1,210	1,384	9,399	11,753	343	1,574	37,267	-	-
Total Liabilities	4,788	*	38	484	18,826	2,157	6,474	14,063	1,587	1,386	713	4,206	160	5,366	116	1,431	10,636	-	-
Investments	-	-	-	-	2,883	-	-	275	-	-	-	-	6,602	-	-	-	-	-	-
Turnover (Net)	7,334	-	-	1260	31,436	6,156	17,203	14,153	4,480	5,890	2,199	-	-	13,459	754	2,824	33,244	-	-
Profit/(Loss) before Taxation	(1,276)	*	(4)	16	72	775	629	418	54	1,034	15	504	189	1,112	134	56	1,364	-	-
Provision for Taxation	(184)	-	-	2	13	3	-	46	15	269	3	-	46	263	46	11	402	-	-
Profit/(Loss) after Taxation	(1092)	*	(4)	14	59	772	629	372	39	765	12	504	144	848	88	45	962	-	-
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	97.98%	100%	60%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

* Amount is below rounding off norm adopted by the Company

Financial information is based on Unaudited Results.

(1) Name of subsidiary which are yet to commence operations - None

(2) Name of subsidiaries which have been liquidated / sold during the year - None

(3) The annual accounts of the above subsidiary companies will be made available to the shareholders for inspection at the Annual General Meeting and also kept for inspection at the Registered Office of the Company.

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures
Part "B" : Associates and Joint Ventures

(Rs. in Lakh)

Serial No.	1	2	3
Name of the Associates /Joint Ventures	Pengg Usha Martin Wires Private Limited (PUMWPL)	CCL Usha Martin Stressing Systems Limited (CUMSSL)	Tesac Usha Wirerope Company Limited (TUWCL)
Latest audited Balance Sheet Date	31-Mar-20	31-Mar-20	31-Mar-20
Shares of Associate/Joint Ventures held by the Company on the year end			
Number	Equity Shares - 10,800,000 *	Equity Shares - 473,195 *	Ordinary Shares - 1,250,000 *#
Amount of Investment in Associates/Joint Venture	1,080	31	2,350
Extent of Holding %	40.00%	49.99%	50.00%
Description of how there is significant influence	PUMWPL is a joint venture company, wherein the Company is holding 40% of equity shares in PUMWPL under a Shareholders Agreement.	CUMSSL is a joint venture Company wherein the Company is a holding 49.99% of the equity shares in CUMSSL under a Shareholders Agreement.	TUMCL is a joint venture of Usha Siam Steel Industries Public Company Limited, a subsidiary of the Company.
Reason why the associate/joint venture is not consolidated	The financial statement of PUMWPL is taken into consideration for consolidation of financial statements to the extent of Company's interest therein.	The financial statement of CUMSSL is taken into consideration for consolidation of financial statements to the extent of Company's interest therein.	The financial statement of TUWCL is taken into consideration for consolidation of financial statements to the extent of the Company's interest therein.
Net worth attributable to Shareholding as per latest audited Balance Sheet	2,576	44	1,741
Profit / Loss for the year	773	4	(120)
Considered in Consolidation	309	2	(60)
Not Considered in Consolidation	464	2	(60)

* Denotes actual number of shares.

Denotes shares held by subsidiaries of the Company.

Notes:

- (1) Name of associates or joint ventures which are yet to commence operation - None
- (2) Name of associates or joint ventures which have been liquidated or sold during the year - None
- (3) The annual accounts of the above associates/joint ventures companies will be made available to the shareholders for inspection at the Annual General Meeting and also kept for inspection at the Registered Office of the Company.

On behalf of the Board of Directors

Place : Kolkata
Date : 6th June, 2020

Rajeev Jhawar
 Managing Director
 DIN: 00086164

Dhrub Jyoti Basu
 Whole Time Director
 DIN: 02498037

Anirban Sanyal **Shampa Ghosh Ray**
 Chief Financial Officer Company Secretary
 ACS 16737

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR Policy and projects or programs.

The Company recognizes its responsibility towards meeting its social obligations and hence has been voluntarily doing CSR activities in the villages in and around the plants and mines of the Company in the State of Jharkhand. The CSR initiatives target the rural community for development through a holistic approach emphasising on health, education, water, sanitation, women empowerment, natural resource management and income-generating activities. Subsequent to the enactment of Companies Act, 2013 ("the Act"), the Company has formally constituted a CSR Committee and adopted a CSR Policy for discharging its social responsibilities more effectively.

For Usha Martin, CSR is the commitment of its businesses to contribute to sustainable economic development by working with civil society organizations, local community and society at large to improve their lives in ways that are good for business and development. Thus, implicit in Usha Martin's understanding of CSR is the recognition of the importance of sustainable behaviour where it consistently operates in a manner that increases the social impact to society and stakeholders concerned, and at the same time adheres to the CSR mandate as contained in the Act. The newly formed Usha Martin Foundation will be the CSR arm of the Company for working closely with communities in and around the Company plants for their social and economic upliftment.

The objective of the Company's CSR Policy is to ensure that the levels of economic, legal, ethical and discretionary activities of Usha Martin is in line with the values as set out under the Act, Companies (Corporate Social Responsibility) Rules, 2014 ("CSR Rules") and Schedule VII of the Act ("Schedule VII").

The Company's CSR Policy has been hosted on the Company's website www.ushamartin.com.

2. The composition of the CSR Committee:
- a) Mr. Brij K Jhawar - Chairman
[Re-designated wef 26th July, 2019]
 - b) Mrs. Ramni Nirula - Member [appointed wef 26th July, 2019]
 - c) Mr. P K Jain - Member [appointed wef 27th May, 2019]
[demise on 17th May, 2020]
 - d) Mr. P S Bhattacharyya - Member [Cessation wef 26th July, 2019]
3. Net Profit / (Loss) of the Company for last three financial years (as per Section 198 of the Companies Act, 2013)

(Rs. In lakh)

FY 2016-17	FY 2017 -18	FY 2018 – 19
(119,659.68)	(149,683.94)	(164,970.35)

Average Profit / (Loss) for last three Financial Years: Rs. (144,771.32) Lakhs [Loss]

4. Prescribed CSR Expenditure (2% of the amount of average profits for last three years): NIL
5. Details of CSR spent during the financial year.
- a) Total amount to be spent for the financial year – NOT APPLICABLE.
 - b) Amount unspent, if any – NIL
 - c) Manner in which the amount spent during the financial year is detailed below:

(Rs. In lakh)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spend on the project or programs Subheads: (1) (Direct expenditure on projects or programs) (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
NIL							

6. In case the Company has failed to spend the two percent, 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. The implementing and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Place: Kolkata
Date: 6th June, 2020

Rajeev Jhawar
Managing Director
DIN: 00086164

Brij K Jhawar
Chairman of CSR Committee
DIN: 00086200

INDEPENDENT AUDITOR'S REPORT

To the Members of Usha Martin Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Usha Martin Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements 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 Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Emphasis of Matter

- a) We draw attention to Note 39 regarding attachment of certain parcels of land at Ranchi used by the Company's wire rope business under Prevention of Money Laundering Act, 2002 (PMLA) in connection with export and domestic sale of iron ore fines in prior years aggregating Rs. 19,037 lakhs allegedly in contravention of terms of the lease granted to the Company for the iron ore mines. Pending final outcome of the appeal filed by the Company before the Appellate Tribunal, PMLA, no adjustment to these standalone Ind AS financial statements in this regard have been considered necessary by the management.

Our opinion is not modified in respect of this matter.

- b) We draw attention to Note 40 to the standalone Ind AS financial statements, which describes the uncertainties and the impact of the COVID-19 pandemic on the Company's operations and results as assessed by management. The actual results may differ from such estimates depending on future developments.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole,

and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Accounting for profit on disposal of Steel and Bright Bar (SBB) Business (discontinued operations) [as described in note 2A a (g), 35 (ii) of the standalone Ind AS financial statements]	Our audit procedures included and were not limited to the following: <ul style="list-style-type: none"> Obtained and reviewed the Business Transfer Agreement (BTA) September 22, 2018, novation agreement dated October 24, 2018 and Supplemental Business Transfer Agreement dated April 7, 2019 and July 3, 2019, the Company has transferred its Steel and Bright Bar Business to Tata Steel Long Products Limited (TSLPL) during the current year. Consequently, resultant profit of Rs. 55,652 lakhs (net of expense/cost aggregating Rs.17,103 lakhs) on sale of the SBB Business is recognised under profit for the period from discontinued operations in accordance with the relevant provision of Ind AS 105 "Non-current assets held for sale and discontinued operations". Considering the significance of the transaction, several judgements that affects timing and measurement of such profit and presentation in the statement of profit and loss, this has been identified as a key audit matter.
Provisions and Contingencies [as described in note 2A a (n), 15 and 30C of the standalone Ind AS financial statements]	<ul style="list-style-type: none"> Reviewed disclosures pertaining to the profit on disposal of the SBB Business in these standalone Ind AS financial statements as per requirement of Ind AS 105. Reviewed reconciling items of net working capital between the Company and TSLPL and assessed that impact of adjustment, if any, arising from such reconciliation is not expected to be material.

<p>The Company has accrued liabilities of Rs. 3,132 lakhs as shown in Note 15 and disclosed in Note 30C contingent liabilities of Rs. 43,026 lakhs as at March 31, 2020.</p> <p>Claims and exposures relating to litigation have been identified as a key audit matter due to the complexities involved in these matters, timescales involved for resolution and the potential financial impact of these on the standalone Ind AS financial statements. Further, significant management judgement is involved in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed.</p> <p>Accordingly, it has been considered as a key audit matter.</p>	<p>Our audit procedures included and were not limited to the following:</p> <ul style="list-style-type: none"> • Obtained listing of all disputes pending before various judicial or relevant tax/ regulatory authorities. • Enquired and discussed the above listing with Head of Legal and Heads of relevant Functions to assess the completeness and management position with regard to the probability of unfavorable outcome of disputes and provision recognised towards matter under disputes. • Engaged with our relevant in-house tax specialists for taxation matters under dispute to assess management's position of outcome of significant cases and provisions recognised. Assessed the objectivity and independence of the in-house and external specialists. • Reviewed opinions obtained by the management from relevant external legal experts to assess management's position of outcome of significant matters under dispute and provisions recognized. • Assessed the relevant disclosures made within the standalone Ind AS financial statements to address whether they reflect the facts and circumstances of the respective tax and legal exposures and the requirements of relevant accounting standards. 	<p>As such, the valuation and future use of DTA imply significant judgments from the management. These judgments mainly relate to the forecasted taxable income, the length of tax loss available and feasible tax planning strategies.</p> <p>Therefore, considering its significance, as well as the fact that its recognition depends on the management estimates and various legal frameworks, the balance of DTA mainly arising from unabsorbed depreciation and tax losses carried forward is defined as a key audit matter.</p>	<ul style="list-style-type: none"> • Assessed the underlying projections and assumptions, and their consistency with the latest management estimates as calculated and the reliability of the process by which the estimates were calculated, by assessing the reasons for differences between projected and actual performances. • Assessed projections prepared by management considering impact of COVID-19 to assess realizability of year-end deferred tax assets .
<p>Recoverability of deferred tax assets (net) [as described in note 2A a (i), and 6 (ii) of the standalone Ind AS financial statements]</p>		<ul style="list-style-type: none"> • Revenue recognition [as described in note 2A a (d) and 20 of the standalone Ind AS financial statements] 	
<p>As at March 31, 2020, the Company has recognized net deferred tax asset (DTA) of Rs. 4,293 lakhs in its standalone Ind AS financial statements. The DTA relates mainly to unabsorbed depreciation and carried forward business losses.</p> <p>The valuation and recoverability of DTA depend on the taxable profits the Company expects to generate in future.</p>	<p>Our audit procedures included and were not limited to the following:</p> <ul style="list-style-type: none"> • Assessed the controls supporting the Company's process followed to book deferred tax assets arising from unabsorbed depreciation and carried forward business losses. • Assessed the compliance of the methodology applied by the Company with Ind AS 12: Income Taxes. In association with our tax specialists, our audit approach also consisted in assessing the future taxable profits used and thus the likelihood that Company would be able to utilize deferred tax assets in the future. 	<p>For the year ended March 31, 2020, the Company has recognized revenue from operations of Rs. 145,785 lakhs (including Rs. 6,523 lakhs in respect of discontinued operation).</p> <p>Revenue is measured taking into account discounts and rebates earned by the customers on the sales. The Company also provides a right of return to its customers for certain products. These arrangements result in deductions to gross sales in arriving at turnover and give rise to obligations for the Company to provide customers with rebates, discounts, allowances and the right of return, which for unsettled amounts are recognized as an accrual.</p> <p>The terms of sales arrangements, including the timing of transfer of control, the nature of discounts and rebate arrangements and delivery specifications, create complexity and judgement in determining timing and measurement of revenue. The risk is therefore, that revenue is not recognized in accordance with Ind AS 115 'Revenue from contracts with customers', and accordingly, it was determined to be a key audit matter.</p>	<p>Our audit procedures included and were not limited to the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the policies and procedures applied to revenue recognition including testing the design and operating effectiveness of controls related to revenue recognition processes employed by the Company. • Performed procedures by analyzing the cost of sales related to discounts, incentives, rebates and margins to total revenue recognized as compared with prior year. • Assessed the relevant estimates made by the management in connection with discounts, incentives and rebates at year's end. • Performed procedures for a sample of revenue transactions at year end to assess whether they were recognized at the correct period by corroborating the date of revenue recognition to third party support such as bills of lading, lorry receipt etc. • Analyzed other adjustments and credit notes issued after the reporting date.
		<p>Other Information</p>	
		<p>The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in Management Discussion and Analysis and Board's report including Annexures to Board's Report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.</p>	
		<p>Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.</p>	

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

Responsibilities of Management for the Standalone Ind AS Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by

management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020 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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) The matter described in the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
 - (f) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 15 and Note 30C to the standalone Ind AS financial statements;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar

Partner

Membership Number: 055596

UDIN : 20055596AAAABJ5847

Place of Signature: Kolkata

Date: June 06, 2020

Annexure 1 referred to in paragraph 1 of the section on "Report on Other Legal and Regulatory Requirements" of our report of even date

- The Company has maintained proper records showing full, particulars including quantitative details and situation of fixed assets.
 - The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets were physically verified by the management during the year and no material discrepancies were noticed on such verification.
 - According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment and assets held for sale are held in the name of the Company except for the following:

Sl. No.	Class of asset	No. of cases	Gross block (Rs. in lakhs)	Net block (Rs. in lakhs)
1	Freehold land	4	2,386	2,386
2	Freehold land (included in assets held for sale)	122	Not Applicable	282
3	Leasehold land	2	16	3
4	Buildings	3	42	8

- Inventory were physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2020 and no material discrepancies were noticed from such confirmations.
- According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which the director is interested to which provisions of section 185 of the Companies Act, 2013 apply and hence not commented upon. Provisions of section 186 of the Companies Act 2013 in respect of loans and advances given, investments made and guarantees and securities given have been complied with by the Company.
- The Company has not accepted any deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable and hence not commented upon.
- We have broadly reviewed the books of account maintained by the Company, pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of manufacture of steel products and are of the opinion that, prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- Undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other material statutory dues applicable to the company dues have generally been regularly deposited with appropriate authorities though there has been a slight delay in a few cases. During the year, sales tax, Service Tax, duty of excise and value added tax are not applicable to the company.
 - According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Statement of arrears of statutory dues outstanding for more than six months

Name of the Statute	Nature of the Dues	Amount (Rs. in lakhs)	Period to which the amount relates	Due Date	Date of Payment
Jharkhand Public Demand Recovery Act	Land revenue	313	April 2012 to September 2018	Mar 31st of respective year	Not yet paid

- According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount * (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central and State Sales Tax / Value Added Tax Act	Duty of Central and State Sales Tax, Value Added Tax and Entry tax	2,671 #	1985-86, 2004-05, 2009-10 to 2013-14	Sales Tax/Value Added Tax Appellate Tribunal
		651	2012-13 to 2014-15	Joint Commissioner of Commercial Taxes
		11	2010-11	Additional Commissioner of Commercial Taxes
		2	2010-11	Madhya Pradesh High Court
		413 #	2008-09 to 2009-10, 2013-14	Deputy Excise and Taxation Commissioners (Appeal)
		828	2002-03 to 2005-06, 2016-17	Ranchi High Court
		16	2003-04	Chennai High Court
Central Excise Act, 1944	Duty of excise	13,790	2004-05 to 2017-18	Central Excise and Service Tax Appellate Tribunal
		4,212	2006-07, 2010-11 to 2017-18	Commissioner of Central Excise (Appeals)
Finance Act, 1994	Service tax	18	2001-02	Joint Commissioner of Central Excise
		714	2016-17 to 2017-18	Commissioner (Appeals)
Goods & Service Tax Act, 2017	Goods and Services Tax	465	2017-18 to 2018-19	Commissioner (Appeals)
		23	2019-20	Additional Commissioner (Appeals)
Customs Act, 1962	Duty of customs	16	1995-96 to 1996-97, 1998-99, 2000-01 and 2008-09	Deputy Commissioner of Customs
		1,519	1989-90, 1992-93 to 1993-94, 2012-13 to 2014-15	Central Excise and Service Tax Appellate Tribunal
		107	1989-90, 1996-97, 2002-03, 2014-15 to 2015-16	Assistant Commissioner of Customs
		7	2005-06	Commissioner (Appeals)
Income Tax Act, 1961	Income tax	552	Assessment Year 1998-99	Ranchi High Court
		2,988	Assessment Year 2007-08 to 2010-11	Income Tax Appellate Tribunal, Ranchi
		3,442	Assessment Year 2009-10, 2011-12 to 2015-16	Commissioner of Income Tax (Appeals)
	Tax collection at source	490	Assessment Year 2013-14 to 2017-18	Commissioner of Income Tax (Appeals)

* Net of amounts paid under protest

Includes demand received by the Company which is disputed along with

other entry tax matters as explained in Note 30C of the standalone Ind AS financial statements

- viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to financial institutions or banks. The Company did not have any loans or borrowing in respect of government or dues to debenture holders during the year.
- ix. In our opinion, and according to the information and explanations given by the management, monies raised by way of term loans were applied, on an overall basis, for the purposes for which they were raised. The Company has not raised any moneys by way of public offer (including debt instrument) during the year.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- xi. According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Company has not made any preferential allotment or private placement of shares, or fully or partly convertible debentures during the year under review. Accordingly, reporting requirements under clause 3(xiv) are not applicable to the Company and, hence, not commented upon.
- xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company and hence not commented upon.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar

Partner

Membership Number: 055596

UDIN : 20055596AAAABJ5847

Place of Signature: Kolkata

Date: June 06, 2020

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF USHA MARTIN 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 Usha Martin Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent 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 with reference to these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Ind AS Financial Statements

A Company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the

preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Standalone Ind AS Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Ind AS standalone financial statements and such internal financial controls over financial reporting with reference to these Ind AS standalone financial statements were operating effectively as at March 31, 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.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar

Partner

Membership Number: 055596

UDIN : 20055596AAAABJ5847

Place of Signature: Kolkata

Date: June 06, 2020

Standalone Balance Sheet as at 31st March, 2020

(All amounts in Rs. lakhs)

	Notes	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non - current assets			
(a) Property, plant and equipment	3A	39,811	40,567
(b) Capital work-in-progress	3A	3,012	877
(c) Intangible assets	3B	623	831
(d) Right-of-use assets	4	83	-
(e) Financial assets			
(i) Investments	5 (i)	15,065	15,065
(ii) Loans	5 (ii)	1,243	1,179
(iii) Other financial assets	5 (iii)	1,914	2,710
(f) Income tax assets (net)	6 (i)	5,519	3,976
(g) Deferred tax assets (net)	6 (ii)	4,293	23,846
(h) Other assets	7	6,347	16,921
Total non-current assets		77,910	1,05,972
Current assets			
(a) Inventories	8	22,908	24,296
(b) Financial assets			
(i) Trade receivables	9 (i)	18,197	21,705
(ii) Cash and cash equivalents	9 (ii)	477	620
(iii) Other bank balances	9 (iii)	246	2,766
(iv) Loans	9 (iv)	605	53
(v) Other financial assets	9 (v)	18,986	11,383
(c) Other assets	10	6,277	3,073
Total current assets		67,696	63,896
Assets held for sale	35(i)	1,417	2,607
Assets of discontinued operations classified as held for sale	35(ii)	-	4,28,796
TOTAL		1,47,023	6,01,271
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	3,054	3,054
(b) Other equity	12	58,486	20,039
Total equity		61,540	23,093
Liabilities			
Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	13(i)	25,073	2,26,973
(ii) Lease liabilities	13(ii)	26	-
(b) Provisions	14	3,158	1,409
(c) Other liabilities	15	3,132	1,675
Total non-current liabilities		31,389	2,30,057
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16(i)	6,576	66,256
(ii) Trade payables			
(A) Total outstanding dues of micro and small enterprises	16(ii)	302	7
(B) Total outstanding dues of creditors other than micro and small enterprises	16(ii)	26,300	21,828
(iii) Other financial liabilities	16(iii)	10,222	51,946
(iv) Lease liabilities	16(iv)	3	-
(b) Provisions	17	728	626
(c) Income tax liabilities (net)	18	175	175
(d) Other liabilities	19	9,788	10,593
Total current liabilities		54,094	1,51,431
Liabilities of discontinued operations classified as held for sale	35(ii)	-	1,96,690
Total liabilities		85,483	5,78,178
TOTAL		1,47,023	6,01,271

The accompanying notes are an integral part of the standalone financial statements
As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration number : 301003E/E300005

per **Bhaswar Sarkar**, Partner
Membership No. 055596

Place : Kolkata

Date : June 06, 2020

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhruv Jyoti Basu
Whole Time Director
DIN: 02498037

Anirban Sanyal
Chief Financial Officer

Shampa Ghosh Ray
Company Secretary
ACS 16737

For and on behalf of Board of Directors of Usha Martin Limited

Standalone Statement of Profit and Loss for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

	Notes	Year ended 31st March, 2020	Year ended 31st March, 2019
Continuing operations			
Income			
Revenue from operations	20	1,39,262	1,70,803
Other income	21	2,989	2,965
Total income		1,42,251	1,73,768
Expenses			
Cost of materials consumed	22	74,090	1,15,529
Purchase of stock-in-trade		2,313	519
(Increase) / decrease in inventories of finished goods, work-in-progress, stock -in- trade and scrap/by-product	23	7,612	(6,743)
Employee benefits expense	24	12,751	11,387
Finance costs	25	5,807	9,022
Depreciation and amortisation expense	26	2,777	2,810
Other expenses	27	25,430	24,844
Total expenses		1,30,780	1,57,368
Profit before tax from continuing operations		11,471	16,400
Tax expenses of continuing operations	6(ii)		
Current tax		-	65
Adjustment of tax relating to earlier periods		154	227
Deferred tax charge/(credit)		19,921	(23,760)
		20,075	(23,468)
Profit/(loss) for the year from continuing operations		(8,604)	39,868
Discontinued operations [refer note 35 (ii)]			
Profit / (loss) for the year before tax from discontinued operations		48,144	(33,968)
Tax expenses of discontinued operations		-	-
Profit / (loss) for the year from discontinued operations		48,144	(33,968)
Profit for the year (from continuing and discontinued operations)		39,540	5,900
Other comprehensive income			
Remeasurement (loss) / gain on defined benefit plans, net of tax		(1095)	(160)
Total other comprehensive income / (loss) for the year, net of tax		(1,095)	(160)
Total comprehensive income for the year		38,445	5,740
Basic and diluted earnings per equity share [Nominal value per share Re 1 each (31st March, 2019- Re 1 each)]	28		
(a) From continuing operations - (Rs.)		(2.82)	13.08
(b) From discontinued operations- (Rs.)		15.80	(11.15)
(c) From continuing and discontinued operations (Rs.)		12.98	1.93

The accompanying notes are an integral part of the standalone financial statements.
As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration number : 301003E/E300005

per Bhaswar Sarkar, Partner

Membership No. 055596

Place : Kolkata

Date : June 06, 2020

Rajeev Jhawar

Managing Director

DIN: 00086164

Dhrub Jyoti Basu

Whole Time Director

DIN: 02498037

Anirban Sanyal

Chief Financial Officer

Shampa Ghosh Ray

Company Secretary

ACS 16737

For and on behalf of Board of Directors of Usha Martin Limited

Standalone statement of cash flows for the year ended 31st March, 2020

(All amounts in Rs. lakhs)

	Year ended 31st March, 2020	Year ended 31st March, 2019
A. Cash flow from operating activities		
Profit before tax from continuing operations	11,471	16,400
Profit /(loss) before tax from discontinued operations	48,144	(33,968)
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expense	3,349	26,642
Gain on disposal of property, plant and equipment (net)	(6)	(844)
Unrealised derivative loss/(gain) [net]	397	(82)
Finance costs	7,811	58,037
Bad Debts / advances written off	394	247
Allowance for credit impaired debts and advances (net)	637	1,296
Tangible assets / capital work-in-progress written off	1	3
Interest income on financial assets carried at amortised cost	(390)	(627)
Dividend income	(160)	(513)
Unrealised foreign exchange differences (gain)/loss [net]	816	430
Liabilities no longer required written back	(2,025)	(4,474)
(Reversal)/ discounting of financial assets	(254)	1,052
Impairment of non financial assets	2,851	87
Profit on sale of Steel and Bright Bar Business undertaking (discontinued operations)	(55,652)	-
Operating profit before working capital changes	17,384	63,686
Working capital adjustments:		
(Increase) / decrease in inventories	(1,204)	32,170
(Increase) / decrease in trade receivables	2,747	9,611
(Increase) / decrease in loans and advances	(614)	58
(Increase) / decrease in other financial assets	(21)	(81)
(Increase) / decrease in other assets	(6,314)	(3,774)
Increase / (decrease) in trade payables	2,763	(5,621)
Increase / (decrease) in provisions	322	905
Increase / (decrease) in other financial liabilities	(2,474)	1,900
Increase / (decrease) in other liabilities	3,595	(1,534)
Cash generated from operations	16,184	97,320
Direct taxes paid	(1,697)	(425)
Net cash flows from operating activities	14,487	96,895
B. Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(3,097)	(7,545)
Proceeds from sale of property, plant and equipment, intangible assets and assets held for sale	48	2,314
Loans (given) to / repayment received from related party (net)	(225)	1,074
Proceeds of sale of Steel and Bright Bar Business undertaking (discontinued operations)	2,82,980	-
Interest received	326	751
Investment in bank deposits (with original maturity more than 3 months)	(150)	-
Refund received / (payment) of margin money with banks	1,989	(1,523)
Refund of advance given for acquisition of land	10,306	-
Dividend received	160	513
Net cash flows from/(used in) investing activities	2,92,337	(4,416)

Standalone Statement of cash flows for the year ended 31st March, 2020

(All amounts in Rs. lakhs)

	Year ended 31st March, 2020	Year ended 31st March, 2019
C. Cash flows from financing activities		
Proceeds from long term borrowings	14,550	1,250
Repayment of long term borrowings	(2,52,144)	(33,770)
Repayment of short term borrowings	(59,042)	(4,664)
Interest paid	(10,540)	(55,499)
Dividend transferred to Investor Education and Protection Fund	*	(13)
Net cash flows used in financing activities	(3,07,176)	(92,696)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(352)	(217)
Cash and cash equivalents at the beginning of the year	829	1,046
Cash and cash equivalents at the year end	477	829
Reconciliation of cash and cash equivalent as per statement of cash flows		
Balances with banks:		
On current account - continuing operations	45	25
On current account - discontinued operations	-	1
Deposits with original maturity less than 3 months	424	-
Remittance in transit - continuing operations	-	570
Remittance in transit - discontinued operations	-	201
Cash on hand - continuing operations	8	25
Cash on hand - discontinued operations	-	7
	477	829

* Amount is below the rounding off norm adopted by the Company.

1. The figures in bracket indicate outflows.

2. The above statement of cash flows has been prepared under the indirect method as set out in "Indian Accounting Standard - 7" - Statement of Cash flows.

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration number : 301003E/E300005

per Bhaswar Sarkar, Partner

Membership No. 055596

Place : Kolkata

Date : June 06, 2020

Rajeev Jhawar

Managing Director

DIN: 00086164

Dhrub Jyoti Basu

Whole Time Director

DIN: 02498037

Anirban Sanyal

Chief Financial Officer

Shampa Ghosh Ray

Company Secretary

ACS 16737

For and on behalf of Board of Directors of Usha Martin Limited

Standalone Statement of changes in equity for the year ended 31st March, 2020

(All amounts in Rs. lakhs)

A) Equity share capital (refer note 11)

Equity shares of Re 1 each issued, subscribed and fully paid -up	Number of shares	Amount
As at 31st March, 2018	30,47,41,780	3,054 *
Changes in equity share capital during the year	-	-
As at 31st March, 2019	30,47,41,780	3,054 *
Changes in equity share capital during the year	-	-
As at 31st March, 2020	30,47,41,780	3,054 *

* Including share forfeited Rs. 7 lakhs (31st March, 2019 : Rs. 7 lakhs)

B) Other equity (refer note 12)

	Reserves and surplus						Total
	Securities premium	Capital reserve	Capital redemption reserve	General reserve	Retained earnings	Other reserves	
As at 31st March, 2018	85,584	369	2,285	54,575	(1,34,862)	6,350	14,301
Profit for the year	-	-	-	-	5,900	-	5,900
Other comprehensive income /(loss) for the year	-	-	-	-	(160)	-	(160)
Total comprehensive income for the Year	-	-	-	-	5,740	-	5,740
As at 31st March, 2019	85,584	369	2,285	54,575	(1,29,124)	6,350	20,039
Profit for the year	-	-	-	-	39,540	-	39,540
Other comprehensive income /(loss) for the year	-	-	-	-	(1,095)	-	(1,095)
Total comprehensive income for the Year	-	-	-	-	38,445	-	38,445
As at 31st March, 2020	85,584	369	2,285	54,575	(90,677)	6,350	58,486

Refer note 12 for nature and purpose of reserves

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration number : 301003E/E300005

per **Bhaswar Sarkar**, Partner
Membership No. 055596

Place : Kolkata
Date : June 06, 2020

Rajeev Jhavar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole Time Director
DIN: 02498037

Anirban Sanyal
Chief Financial Officer

Shampa Ghosh Ray
Company Secretary
ACS 16737

For and on behalf of Board of Directors of Usha Martin Limited

1. Company overview

Usha Martin Limited (the 'Company') is a public limited company incorporated and domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is engaged in the following businesses:

- Wire and Wire ropes – Manufacture and sale of steel wires, strands, wire ropes, cord, related accessories, etc.

- Others – Manufacture and sale of wire drawing and allied machines

The Board of Directors and shareholders of the Company at their respective meetings held on September 22, 2018 and November 10, 2018, approved the sale and transfer of the Company's Steel Business and plant and machinery of the Bright Bar Business (together termed as "SBB Business" henceforth) to Tata Steel Limited (TSL) or its subsidiaries on a going concern basis under a slump sale arrangement. The SBB Business includes a specialised steel manufacturing plant, an operative iron ore mine, a coal mine under development, captive power plants and plant and machinery of bright bar business. Accordingly, a Business Transfer Agreement ('BTA') was executed on September 22, 2018 between the Company and TSL. Subsequently, on October 24, 2018, the Company has entered into a novation agreement with TSL and Tata Steel Long Products Limited formerly known as Tata Sponge Iron Limited (the 'Purchaser'), a subsidiary of TSL whereby all rights and obligations of TSL under the terms of the BTA was assumed by the Purchaser. Pursuant to the BTA and Novation agreement as stated above and Supplemental Business Transfer Agreement dated April 7, 2019 and July 3, 2019 respectively with Purchaser, the Company has transferred its SBB Business as a going concern on slump sale basis during the year ended March 31, 2020 in accordance with the terms and conditions set out in those agreements [Refer note 35 (ii)]. The equity shares of the Company are listed on two recognised stock exchanges in India and its GDRs are listed on stock exchange in Luxembourg. The registered office of the Company is located at 2A, Shakespeare Sarani, Kolkata - 700071. Company's continuing business of wire and wire ropes caters to both domestic and international markets.

2A. Significant accounting policies**a. Basis of preparation and compliance with Ind AS**

- (i) These standalone Ind AS financial statements of the Company have been prepared in accordance with Indian Accounting Standard (Ind AS) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. The accounting policies have been applied consistently over the periods presented in the financial statements.
- (ii) These financial statements were approved for issue by the Board of Directors on June 6, 2020.
- (iii) These Ind AS Financial Statements are prepared in Indian Rupee which is the Company's functional currency. All financial information presented in Rupees has been rounded to the nearest lakhs, except when otherwise indicated.

b. Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting

period, or

- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current only.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

c. Basis of measurement**Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company is entitled to in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional. Generally, the credit period varies between 0-90 days from the shipment or delivery of goods or services as the case may be. The Company provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified and also accrues discounts to certain customers based on customary business practices. Goods and service tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the Government. Accordingly, it is excluded from revenue.

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

Contract balances**Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

Interest income

Interest income is included in other income in the Statement of Profit and Loss. For all financial instruments, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to

the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

Dividends are recognised when the Company's right to receive the payment is established which is generally when shareholders approve the dividend.

e. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Other indirect expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital work-in-progress.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met.

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 recognised 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 recognised in the Statement of Profit and Loss as incurred.

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(i) Capital work-in-progress

Capital work-in-progress is stated at cost, net of accumulated impairment losses, if any. Assets in the course of construction are capitalized in capital work-in-progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment.

(ii) Depreciation

Assets in the course of development or construction and freehold land are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line method basis over its expected useful life (determined by the management based on technical estimates), as follows:

Particulars	Useful economic life
Building*	30-60 years
Plant and equipment**	10-41 years
Electrical installations	10-40 years
Water treatment and supply plant	15-30 years
Office equipment	3-5 years
Furniture and fixtures	5-10 years
Vehicles	8 years

*Roads included under buildings are depreciated considering useful life of 3-10 years

** Stores and spares, having useful life of more than one year, included under plant and equipment are depreciated considering useful life of 2-9 years

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment, electrical installation and water treatment and supply over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Major inspection and overhaul costs are depreciated over the estimated life of the economic benefit derived from such cost. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

When significant spare parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

f. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost net of recoverable taxes, trade discount and rebates. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use attributable to the intangible assets. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The Company has intangible assets with finite useful lives.

Computer softwares are amortised on straight-line method at the rates determined based on estimated useful lives which vary from 3 years to 6 years.

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The

amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Research and development costs

Research costs are expensed to the Statement of Profit and Loss as incurred. Development expenditure on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit and the expense is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

g. Non-current assets held for sale and discontinued operations

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense. The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale/distribution will be made or that the decision to sell / distribute will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets are available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the Balance Sheet.

Property, plant and equipment and intangible once classified as held for sale are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit/loss from discontinued operations in the Statement of Profit and Loss.

Basis of segregation into discontinued operations are provided in note 29 (iii) and additional disclosures in respect of discontinued operations are provided in note 35(ii) to the financial statements.

h. Foreign currencies

In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or profit and loss are also recognised in OCI or profit and loss, respectively).

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognised. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

i. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary

differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet.

j. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term (30-99 years). If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

l. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials and packing materials, stores and spares parts and loose tools: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Work-in-progress and finished goods : Cost includes cost of direct materials and cost of conversion and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average basis.
- Stock-in-trade: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Scrap / by products are valued at net realisable value. Scrap is being recognised on recovery.

Net realisable 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.

Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided to net realisable value.

m. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been

recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss.

n. Provisions, contingent liabilities and contingent assets

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

o. Employee benefit schemes

(i) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Compensated absences:

Compensated absences accruing to employees and which can be carried to future periods but where there are restrictions on availment or encashment or where the availment or encashment is not expected to occur wholly in the next twelve months, the liability on account of the benefit is determined actuarially using the projected unit credit method.

(ii) Post-employment benefits

● **Defined contribution plan**

Retirement benefits in form of superannuation is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the superannuation fund. The Company recognizes contribution payable to the superannuation scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

● **Defined benefit plans – Gratuity, provident fund and long term service award**

Gratuity

The Company has a defined benefit plan (the "Gratuity Plan"). The gratuity is paid @15 days basic salary for every completed year of service as per the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company. Presently the Company's gratuity plan is funded.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets, if any. This cost is included in employee benefit expense in the Statement of Profit and Loss.

The liability or asset recognised in the Balance Sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method and spread over the period during which the benefit is expected to be derived from employees' services.

Remeasurements, comprising of actuarial gains and losses from changes in actuarial assumptions, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit and loss in subsequent periods. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Provident fund

Eligible employees of the Company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the 'Usha Martin Employees Provident Fund Trust'. The trust invests in specific designated instruments as prescribed by the Government. The remaining portion is contributed to the Government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

Long term service award

Employees of the Company rendering greater than twenty years of service will receive long service award on all causes of exit as per the Company's policy. The cost of providing benefits under this plan is determined by actuarial valuation using the projected unit credit method by independent qualified actuaries at the year end.

p. Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets**Initial recognition and measurement**

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115 :Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a timeframe established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories :

(i) Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

(ii) Financial assets at fair value through Other Comprehensive Income (FVOCI) with recycling of cumulative gains and losses (debt instruments)

A 'financial asset' is classified as at the FVOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the Statement of Profit and Loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

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

A financial asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

Financial assets at fair value through profit or loss are carried in the Balance Sheet at fair value with net changes in fair value recognised in the Statement of Profit and Loss.

Dividends on listed equity investments are recognised in the Statement of Profit and Loss when the right of payment has been established.

(iv) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32: Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to Statement of Profit and Loss. Dividends are recognised as other income in the Statement of Profit and Loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when the contractual rights to receive cash flows from the financial asset have expired or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all financial instruments not held at fair value through profit or loss in accordance with Ind AS 109. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial

recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months from the reporting date (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company's debt instruments at fair value through OCI comprise solely of quoted bonds that are graded in the top investment category (very good and good) by the good credit rating agency and, therefore, are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company uses the ratings from the good credit rating agency both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, borrowings (net of directly attributable cost), payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at fair value through Profit and Loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial

recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 : Financial instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109: Financial instruments are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has designated forward exchange contracts as 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.

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 : Financial instruments and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

q. Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as foreign exchange contracts to hedge its exposure to movements in foreign exchange rates relating to the underlying transactions. The Company does not hold derivative financial instruments for speculation purposes. Such derivative financial instruments are initially recognised at fair

value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value and the resulting profit and loss is taken to the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

r. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

s. Cash dividend distributions to equity holders

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

t. Earnings per share

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

u. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "unallocated revenue/expenses/assets/liabilities".

v. Use of estimates and critical accounting judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

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

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

2B. Recent accounting pronouncements

Standards issued but not yet effective

The Company has applied the standards and interpretations issued to the reporting period presented. Thus, there are no standards which are issued, but not yet effective as on the date of the issue of these financial statements.

2C. Changes in accounting policies and disclosures

New and amended standards

The Company applied Ind AS 116 : Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments apply for the first time for the year ending 31 March 2019, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

Ind AS 116 : Leases

Ind AS 116 supersedes the previous standard Ind AS 17 : Leases including its appendices (Appendix C of Ind AS 17 : Determining whether an arrangement contains a lease, Appendix A of Ind AS 17 : Operating leases-incentives and Appendix B of Ind AS 17 : Evaluating the substance of transactions involving the legal form of a lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the Balance Sheet. Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

Effective April 1, 2019, the Company has adopted Ind AS 116, 'Leases'. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise right-of-use assets and lease liabilities for all lease with a term of more than twelve months, unless the underlying asset is of a low value. The Company has used the 'modified retrospective approach' for transition from the previous standard Ind AS 17 and consequently, comparatives for previous periods have not been retrospectively adjusted. On transition, the Company has recorded the lease liability at the present value of future lease payments on date of transition discounted using the incremental borrowing rate and has also chosen the practical expedient provided in the standard to measure the right-of-use assets and corresponding lease liability as on date of transition. The adoption of the new standard resulted in recognition of 'Right-of-use' asset and an equivalent lease liability as on April 1, 2019. The effect of adoption of Ind AS 116 on the profit before tax, profit for the period and earning per share is not material.

Appendix C to Ind AS 12 : Uncertainty over income tax treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 : Income taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgement in identifying uncertainties over income tax treatments. The Company assessed whether the appendix had an impact on its financial statements.

Upon adoption of the Appendix C to Ind AS 12, the Company considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Company's tax filings include

deductions related to transfer pricing and the taxation authorities may challenge those tax treatments. The Company determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments will be accepted by the taxation authorities. The appendix did not have an impact on the financial statements of the Company.

Amendments to Ind AS 109: Prepayment features with negative compensation

Under Ind AS 109 : Financial instruments, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are solely payments of principal and interest on the principal amount outstanding (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

These amendments had no impact on the financial statements of the Company.

Amendments to Ind AS 19: Plan amendment, curtailment or settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to determine the current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event. An entity is also required to determine the net interest for the remainder of the period after the plan amendment,

curtailment or settlement using the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event, and the discount rate used to remeasure that net defined benefit liability (asset). The amendments had no impact on the financial statements of the Company as it did not have any plan amendments, curtailments, or settlements during the period.

Annual improvement to Ind AS (2018);

These improvements include:

Amendments to Ind AS 12: Income taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where it originally recognised those past transactions or events.

An entity applies the amendments for annual reporting periods beginning on or after 1 April 2019.

Since the Company's current practice is in line with these amendments, they had no impact on the financial statements of the Company.

Amendments to Ind AS 23: Borrowing costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete. The entity applies the amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, they had no impact on the financial statements of the Company.

Notes to the standalone financial statements as at and for the year ended 31st March, 2020

(All amounts in Rs. lakhs)

3A. Property, plant and equipment and capital work-in-progress

Particulars	Freehold land [refer note (b) (i) below]	Leasehold land [refer note (b) (ii) below]	Mining lease and development	Buildings [refer note (b) (iii) below]	Plant and equipment	Railway siding	Electrical installations	Water treatment and supply plant	Office equipment	Furniture and fixtures	Vehicles	Total	Capital work-in-progress
Gross block													
As at 31st March, 2018	10,274	208	2,676	30,422	4,05,982	2,012	54,968	725	568	274	623	5,08,732	2,924
Additions-continuing operations	-	3	-	-	352	-	2	-	30	2	23	412	314
Additions-discontinued operations	661	-	-	271	3,846	-	51	-	60	8	30	4,927	1,086
Disposals-continuing operations	-	-	-	-	42	-	-	-	4	1	12	59	131
Disposals-discontinued operations	-	-	-	-	208	-	-	-	8	-	26	242	829
Transferred to assets of discontinued operations classified as held for sale [refer note 35(ii)]	6,381	148	2,676	20,194	3,75,594	2,012	53,303	240	494	191	168	4,61,401	2,487
As at 31st March, 2019	4,554	63	-	10,499	34,336	-	1,718	485	152	92	470	52,369	877
Additions/adjustments (refer note c)-continuing operations	218	-	-	918	815	-	35	-	18	9	101	2,114	2,474
Disposals/adjustments-continuing operations (refer note d)	-	63	-	-	227	-	153	-	2	9	86	540	339
As at 31st March, 2020	4,772	-	-	11,417	34,924	-	1,600	485	168	92	485	53,943	3,012
Accumulated depreciation													
As at 31st March, 2018	-	23	897	8,405	61,705	678	7,202	54	270	121	282	79,637	
Charge for the year- continuing operations (refer note 26)	-	-	-	438	1,948	-	50	11	19	5	59	2,530	
Charge for the year-discontinued operations [refer note 35(ii)]	-	3	233	629	19,755	227	2,338	8	87	21	31	23,332	
Disposals / adjustments-continuing operations	-	-	-	-	6	-	-	-	3	-	3	12	
Disposals / adjustments-discontinued operations	-	6	-	-	-	-	-	-	6	-	15	27	
Transferred to assets of discontinued operations classified as held for sale [refer note 35(ii)]	-	20	1,130	7,689	74,067	905	9,379	28	264	88	88	93,658	
As at 31st March, 2019	-	-	-	1,783	9,335	-	211	45	103	59	266	11,802	
Charge for the year- continuing operations (refer note 26)	-	-	-	430	1,940	-	43	11	16	5	48	2,493	
Disposals / adjustments-continuing operations	-	-	-	-	63	-	30	-	1	4	65	163	
As at 31st March, 2020	-	-	-	2,213	11,212	-	224	56	118	60	249	14,132	
Net block													
As at 31st March, 2020	4,772	-	-	9,204	23,712	-	1,376	429	50	32	236	39,811	3,012
As at 31st March, 2019	4,554	63	-	8,716	25,001	-	1,507	440	49	33	204	40,567	877

a) For lien/charge against property, plant and equipment refer note 13(i), note 16(i) and note 16 (iii).

b) I. Freehold land includes :

- Two plots of land of Rs. 2,315 lakhs as at 31st March, 2020 (31st March, 2019 : Rs. 2,315 lakhs) located at Ranchi, acquired pursuant to a scheme of arrangement which are held in the name of the transferor company.
- One plot of land of Rs. 29 lakhs as at 31st March, 2020 (31st March, 2019 : Rs. 29 lakhs) located at Mumbai in respect of which the conveyance deed is yet to be executed in favour of the Company.
- One plot of land of Rs. 42 lakhs as at 31st March, 2020 (31st March, 2019 : Rs. 42 lakhs) located at Kolkata in respect of which title deeds are not readily traceable.

II. Leasehold land includes :

Two plots of land gross block and net block of Rs. 5 lakhs and Rs. 3 lakhs as at 31st March, 2020 (31st March, 2019 : gross block Rs. 5 lakhs and net block Rs. 3 lakhs) located at Ranchi in respect of which lease deeds are yet to be executed in favour of the Company.

III. Buildings include :

- One property (gross block and net block of Rs. 1 lakh and Rs. 1 lakh as at 31st March, 2020 (31st March, 2019 : gross block Rs. 1 lakh and net block Rs. 1 lakh)) located at Mumbai in respect of which the conveyance deed is yet to be executed in favour of the Company.
- Two properties (gross block and net block of Rs. 8 lakhs and Rs. 7 lakhs as at 31st March, 2020 (31st March, 2019 : gross block Rs. 8 lakhs and net block Rs. 7 lakhs)) located at Kolkata in respect of which title deeds are not readily traceable.

c) Addition includes transfer of assets related to Chennai Bright Bar from assets held for sale (Refer Note 35 (i) (b)).

d) Disposals/adjustments includes transfer of assets to right-of-use assets.

3B. Intangible assets

Particulars	Computer software	Mining rights	Total intangible assets
Gross block			
As at 31st March, 2018	3,421	1,389	4,810
Additions-continuing Operations	12	-	12
Transferred to assets of discontinued operations classified as held for sale [refer note 35(ii)]	1,773	1,389	3,162
As at 31st March, 2019	1,660	-	1,660
Additions-continuing operations	74	-	74
As at 31st March, 2020	1,734	-	1,734
Accumulated amortisation			
As at 31st March 2018	1,029	377	1,406
Charge for the year-continuing operations (refer note 26)	280	-	280
Charge for the year - discontinued operations [refer note 35(ii)]	355	145	500
Transferred to assets of discontinued operations classified as held for sale [refer note 35(ii)]	835	522	1,357
As at 31st March, 2019	829	-	829
Charge for the year-continuing operations (refer note 26)	282	-	282
As at 31st March, 2020	1,111	-	1,111
Net book value			
As at 31st March, 2020	623	-	623
As at 31st March, 2019	831	-	831

4 Right-of-use assets

	Land #	Total right-of-use assets
Gross block		
As at 31st March, 2019	-	-
Transfer in from property, plant and equipment	63	63
Addition during the year	27	27
As at 31st March, 2020	90	90
Accumulated amortisation		
As at 31st March, 2019	-	-
Transfer in from property, plant and equipment	5	5
Charge for the year (refer note 26)	2	2
As at 31st March, 2020	7	7
Net book value		
As at 31st March, 2020	83	83
As at 31st March, 2019	-	-

Represents unamortised leasehold rights

Non - current assets

5. Financial assets

(i) Investments	As at 31st March, 2020	As at 31st March, 2019
Investment in equity instruments (unquoted)		
(at cost unless otherwise stated)		
(a) In subsidiary companies		
Usha Martin International Limited 59,09,388 (31st March, 2019 : 59,09,388) ordinary shares of GBP 1 each, fully paid	6,181	6,181
Usha Siam Steel Industries Public Company Limited # 1,32,00,000 (31st March, 2019 : 1,32,00,000) ordinary shares of Thai Baht 10 each, fully paid	2,620	2,620
Usha Martin Singapore Pte Limited 10,00,000 (31st March, 2019 : 10,00,000) ordinary shares of SGD 1 each, fully paid	268	268
Brunton Wolf Wire Rope, FZCO # 114 (31st March, 2019 : 114) ordinary shares of AED 1,00,000 each, fully paid	1,777	1,777
Usha Martin Americas Inc. 40,00,000 (31st March, 2019 : 40,00,000) shares of USD 1 each, fully paid	1,660	1,660
Gustav Wolf Speciality Cords Limited 150,000 (31st March, 2019 : 150,000) equity shares of Rs.10 each, fully paid	168	168
UM Cables Limited 1,11,29,660 (31st March, 2019 : 1,11,29,660) equity shares of Rs.10 each, fully paid	1,271	1,271
Usha Martin Power and Resources Limited 50,000 (31st March, 2019 : 50,000) equity shares of Rs. 10 each, fully paid [Cost Rs. 5 lakhs (31st March, 2019 : Rs 5 lakhs), Rs 1 lakhs (31st March, 2019 : Rs 1 lakhs), impaired]	4	4
Bharat Minex Private Limited 2,00,000 (31st March, 2019 : 2,00,000) equity shares of Rs. 10 each, fully paid [Cost Rs. 20 lakhs (31st March, 2019 : Rs 20 lakhs), Rs 20 lakhs (31st March, 2019 : Rs 20 lakhs), impaired]	-	-
Total	13,949	13,949
(b) In joint ventures		
Pengg Usha Martin Wires Private Limited ## 1,08,00,000 (31st March, 2019 : 1,08,00,000) equity shares of Rs.10 each, fully paid	1,080	1,080
CCL Usha Martin Stressing System Limited 4,73,195 (31st March, 2019 : 4,73,195) equity shares of Rs.10 each, fully paid [Cost Rs. 47 lakhs (31st March, 2019 : Rs 47 lakhs), Rs 16 lakhs (31st March, 2019 : Rs 16 lakhs), impaired]	31	31
Total	1,111	1,111
Investment in equity instruments (unquoted)		
(at fair value through profit and loss)		
(c) Investment in other companies		
Adityapur Toll Bridge Company Limited 1,00,000 (31st March, 2019 : 1,00,000) equity shares of Rs.10 each, fully paid [Cost Rs. 10 lakhs (31st March, 2019 : Rs 10 lakhs), Rs 5 lakhs (31st March, 2019 : Rs 5 lakhs), impaired]	5	5
Usha Communications Technology Limited BVI 1,21,10,242 (31st March, 2019 : 1,21,10,242) ordinary shares of USD 0.50 each, fully paid [Cost Rs. 28 lakhs (31st March, 2019 : Rs 28 lakhs), Rs 28 lakhs (31st March, 2019 : Rs 28 lakhs), fully impaired]	-	-
UMI Special Steel Limited (in liquidation) 1,80,68,472 (31st March, 2019 : 1,80,68,472) equity shares of Rs.10 each, fully paid	*	*
Adityapur Auto Cluster Limited 1,000 (31st March, 2019 : 1,000) equity shares of Rs.1,000 each, fully paid [Cost Rs. 10 lakhs (31st March, 2019 : Rs 10 lakhs), Rs 10 lakhs (31st March, 2019 : Rs 10 lakhs), fully impaired]	-	-
Total	5	5
Total investments	15,065	15,065
Aggregate amount of unquoted investments	15,065	15,065
Aggregate amount of impairment in value of investments	80	80

The Company's stake has been pledged as per terms of loan taken by Usha Siam Steel Industries Public Company Limited and Brunton Wolf Wire Rope, FZCO (subsidiaries).

Refer note 30B(iii)(b)

* Amount is below the rounding off norm adopted by the Company

5 (ii) Loans - at amortised cost	As at 31st March, 2020	As at 31st March, 2019
(Unsecured, considered good unless otherwise stated)		
Loans to related parties (Refer note 32)	1,153	1,090
Loans to employees	90	89
Total	1,243	1,179

Loans are financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

5 (iii) Other financial assets	As at 31st March, 2020	As at 31st March, 2019
(Unsecured, considered good unless otherwise stated)		
Bank deposits with more than 12 months maturity #	682	-
Security deposits	914	873
Interest accrued but not due on deposits	52	71
Advance against coal mines [refer note 35(i)(a)]	-	1,485
Export incentive receivable	266	281
Total	1,914	2,710

Rs. 532 lakhs (31st March, 2019 : Nil) earmarked as margin money against issue of letter of credit and bank guarantee

6. Income taxes

6 (i) Income tax assets (net)	As at 31st March, 2020	As at 31st March, 2019
Advance payment of income tax [net of provision for tax - Rs. Nil (31st March, 2019 : Rs. Nil)]	5,519	3,976

6 (ii) Deferred tax assets (net)	As at 31st March, 2020	As at 31st March, 2019
Deferred tax assets (DTA)		
On expenses allowable against taxable income in future years	4,795	7,108
On carry-forward unabsorbed depreciation *	-	89,548
On carry-forward business losses	2,644	6,999
Total DTA	7,439	1,03,655
Deferred tax liabilities (DTL)		
On temporary difference between written down value of property, plant and equipment as per books of account and for tax purpose	3,036	79,411
On unamortised borrowing costs	110	398
Total DTL	3,146	79,809
Deferred tax assets (net)	4,293	23,846

*During the year ended March 31, 2019, the Company had recognised net deferred tax assets of Rs. 23,846 lakhs as part of continuing business arising from unabsorbed depreciation and brought forward business losses that would be available to the continuing business for set off against long-term capital gain (LTCG) that would arise from sale of SBB Business and against future taxable income of the continuing business. Pursuant to sale of SBB business during the year, the Company has utilised such deferred tax assets against LTCG arising from sale of SBB Business. Management believes that balance DTA of Rs. 4,293 lakhs will be recovered against future taxable income that will arise from operations of the continuing business.

(a) Tax charge/(credit) recognised in the Statement of Profit and Loss and OCI	Year ended 31st March, 2020	Year ended 31st March, 2019
The major components of income tax expense for the years ended 31st March, 2020 and 31st March, 2019 are:		
Current tax	-	65
Adjustment of tax relating to earlier periods	154	227
Deferred tax charge/(credit)	19,553	(23,846)
Total	19,707	(23,554)

(b) A reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated is as follows:		
Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Accounting profit / (loss) before tax	59,615	(17,568)
Statutory income tax rate	25.170%	34.944%
Tax profit/(loss) at statutory income tax rate	15,005	(6,139)
* recognised in the FY 18-19		
Adjustments:		
Deferred tax on unabsorbed depreciation and brought forward business losses recognised out of opening balance	-	(17,892)
Exempt income	(40)	-
Disallowable expenses/other non-deductible differences	4	185
Tax on dividend received	-	65
Adjustment of tax relating to earlier periods	154	227
True up adjustments/impact of change in tax rate for future period*	4,584	-
Total	19,707	(23,554)

* During the year, the Company has elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the deferred tax assets (net) as at March 31, 2019 and the estimate of tax expense for the year ended March 31, 2020 have been re-measured basis the rate prescribed in the said section.

(c) Reconciliation of deferred tax assets (net):		
	As at 31st March, 2020	As at 31st March, 2019
Opening balance as of 1 April	23,846	-
Deferred tax charge/(credit) during the year recognised in Statement of Profit and Loss and OCI	19,553	(23,846)
Total	4,293	23,846

7. Other assets : non current	As at 31st March, 2020	As at 31st March, 2019
(Unsecured, considered good unless otherwise stated)		
Capital advances	42	34
Prepaid expenses	89	18
Balances with Government authorities		
Excise / service tax	53	59
Sales tax / value added tax	1,083	933
Deposits with land authority	-	8,641
Deposit for legal case	1,965	1,025
Deposit for fuel surcharge / other electricity matter	2,885	2,885
Claims receivable		
Considered good	230	475
Considered credit impaired	405	-
Less : allowance for credit impaired receivable	(405)	-
Advance against coal mines [refer note 35(i)(a)] #	-	2,851
Total	6,347	16,921

Net of Impairment Rs. 2,851 Lakhs (31st March, 2019 : Nil)

Current Assets

8. Inventories (at lower of cost and net realisable value)	As at 31st March, 2020		As at 31st March, 2019	
Raw materials (including packing materials) *	9,410		3,163	3,163
Goods-in transit	474		568	568
		9,884		3,731
Work-in-progress		4,992		15,518
Finished goods	5,328		2,378	
Goods-in transit	-		618	
		5,328		2,996
Stock-in-trade		103		94
Stores and spare parts		1,837		1,458
Loose tools		254		309
Scrap / by-product		510		190
Total		22,908		24,296

* Including Rs.88 lakhs held by a third party (31st March, 2019 : Rs.86 lakhs)

Note : Year end inventories are net of Rs. 532 lakhs (31st March, 2019 : Rs. 87 lakhs) towards write-downs to net realisable value and provision for slow moving.

9. Financial assets	As at 31st March, 2020	As at 31st March, 2019
Trade receivables (at amortised cost)		
(Unsecured)		
Trade receivables considered good	17,666	20,764
Trade receivables which have significant increase in credit risk	531	941
Trade receivables considered credit impaired	372	197
Less : allowance for credit impaired trade receivables	(372)	(197)
Total	18,197	21,705
Of the above, trade receivables from:		
- related parties (refer note 32)	10,016	7,316
- others	8,181	14,389
Total	18,197	21,705

(i) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

(ii) Trade receivables are generally on terms of 30 to 90 days.

(iii) For lien / charge against trade receivables, refer Note 16(i). Below is the details of trade receivables discounted with recourse available to the bank against the Company and hence not meeting de-recognition criteria :

Transferred receivables	876	2,550
Associated borrowings [refer note 16(i)]	876	2,550

(iv) Refer Note 34B(a) for information about credit risk and market risk on receivables

(v) Set out below is the movement in the allowance for credit impaired trade receivables:

As at 1st April	197	1,616
Provision/(reversal) for credit impaired trade receivables	175	(1,419)
As at 31st March	372	197

	As at 31st March, 2020	As at 31st March, 2019
(ii) Cash and cash equivalents		
Balances with banks:		
On current accounts	45	25
Deposits with original maturity less than 3 months *	424	-
Remittances-in-transit	-	570
Cash on hand	8	25
Total	477	620

* Short-term deposits with banks are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

	As at 31st March, 2020	As at 31st March, 2019
(iii) Other bank balances		
Unpaid dividend accounts #	3	3
Deposits with original maturity for more than 3 months but up to 12 months ##	243	2,763
Total	246	2,766

Earmarked for payment of unclaimed dividend

Earmarked as margin money against issue of letter of credit and bank guarantee

	As at 31st March, 2020	As at 31st March, 2019
(iv) Loans (at amortised cost)		
(Unsecured considered goods unless otherwise stated)		
Loans to related party (refer note 32)	550	-
Loans to employees		
Considered good	55	53
Considered credit impaired	10	10
Less: allowance for credit impaired loans to employees	(10)	(10)
Total	605	53

	As at 31st March, 2020	As at 31st March, 2019
(v) Other financial assets		
(Unsecured considered good unless otherwise stated)		
Derivative not designated as hedges		
Foreign exchange forward contracts#	-	82
Other financial assets at amortised cost		
Accrued interest on loan to subsidiaries (refer note 32)	51	-
Accrued interest on deposits and others	44	12
Interest receivable on deposits and others	-	104
Advance against land - coal mines [refer note 35(i)(a)]	227	8,458
Receivable from Tata Steel Long Products Limited [refer note 35(ii)]	15,687	-
Claims /advances receivable	1,410	760
Security deposits		
Considered good	108	146
Considered credit impaired	27	-
Less: allowance for credit impaired deposits	(27)	-
Export incentive receivables		
Considered good	446	973
Considered credit impaired	53	53
Less: allowance for credit impaired balance	(53)	(53)
Balances with related parties (refer note 32)	891	793
Other receivables	122	55
Total	18,986	11,383

Financial assets at fair value through profit and loss

Derivative instruments at fair value through profit and loss reflect the negative change in fair value of those foreign exchange forward contracts that are not designated as hedge relationships. Refer note 34B for details regarding the nature and extent of risks arising from financial instruments to which the Company is exposed at the end of the reporting year.

10. Other assets : current	As at 31st March, 2020	As at 31st March, 2019
(Unsecured considered good unless otherwise stated)		
Advances to suppliers *		
Considered good	2,191	359
Considered credit impaired	36	12
Less: allowance for credit impaired advances	(36)	(12)
Balance with statutory / Government authorities		
Considered good	3,868	2,469
Considered credit impaired	604	635
Less: allowance for credit impaired balance	(604)	(635)
Prepaid expenses	218	245
Total	6,277	3,073

* Represents the amount paid towards purchase of goods and are non-interest bearing.

Equity

11. Share capital	As at 31st March, 2020	As at 31st March, 2019
Authorised		
50,00,00,000 (31st March, 2019 : 50,00,00,000) equity shares of Re. 1 each	5,000	5,000
1,00,00,000 (31st March, 2019 : 1,00,00,000) cumulative redeemable preference shares of Rs. 50 each	5,000	5,000
	10,000	10,000
Issued, subscribed and fully paid-up		
30,47,41,780 (31st March, 2018 : 30,47,41,780) equity shares of Re. 1 each	3,047	3,047
Add: Shares forfeited (amount originally paid-up)	7	7
Total	3,054	3,054

a) Reconciliation of the number of shares and amount outstanding as at the beginning and at the end of the year :

		As at 31st March, 2020	As at 31st March, 2019
Number of equity shares outstanding at the beginning and end of the year	Numbers	30,47,41,780	30,47,41,780
Amount of equity shares outstanding at the beginning and end of the year	Amount in Rs. lakhs	3,047	3,047

b) 2,28,65,450 (31st March, 2019 : 2,29,40,450) equity shares of face value of Re 1 each are represented by Global Depository Receipts (GDRs). Each GDR represents five underlying equity shares.

(c) Rights, preference and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share (except in case of GDRs). The holders of GDRs do not have voting right with respect to shares. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive residual assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by each shareholder.

(d) Details of shares held by shareholders holding more than 5 % of the aggregate equity shares in the Company:

Name of the shareholder		As at 31st March, 2020	As at 31st March, 2019
Equity shares of Re 1 each fully paid-up			
UMIL Share & Stock Broking Services Limited	Numbers	3,98,06,236	3,88,88,369
% holding		13.06%	12.76%
Deutsche Bank Trust Company Americas #	Numbers	2,28,65,450	2,29,40,450
% holding		7.50%	7.53%
Peterhouse Investments India Limited	Numbers	1,96,53,829	2,07,67,330
% holding		6.45%	6.81%
Usha Martin Ventures Limited	Numbers	2,00,27,588	2,06,27,588
% holding		6.57%	6.77%
Peterhouse Investments Limited #	Numbers	2,24,04,919	2,44,71,455
% holding		7.35%	6.23%

As on 31st March, 2020, 45,73,090 GDRs (representing 2,28,65,450 underlying equity shares) is with Deutsche Bank Trust Company Americas (depository). Peterhouse Investments Limited holds 2,24,04,919 equity shares and 16,85,691 GDRs (representing 84,28,455 underlying equity shares) and Kenwyn Overseas Limited holds 1,43,64,680 equity shares and 19,63,025 GDRs (representing 98,15,125 underlying equity shares).

As on 31st March, 2019, 45,88,090 GDRs (representing 2,29,40,450 underlying equity shares) is with Deutsche Bank Trust Company Americas (depository). Peterhouse Investments Limited holds 2,44,71,455 equity shares and 16,85,691 GDRs (representing 84,28,455 underlying equity shares) and Kenwyn Overseas Limited holds 1,43,64,680 equity shares and 19,63,025 GDRs (representing 98,15,125 underlying equity shares).

(e) No shares have been allotted without payment of cash or by way of bonus shares during the period of five years immediately preceding the Balance Sheet date.

12. Other equity	As at 31st March, 2020	As at 31st March, 2019
Securities premium (Securities premium represents the premium on issue of shares and can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013)	85,584	85,584
Capital reserve (Capital reserve represents mainly state capital subsidy received from different state Governments)	369	369
Capital redemption reserve (Capital redemption reserve is created on redemption of preference shares as per statutory requirement and can be utilised in accordance with the provisions of the Companies Act, 2013)	2,285	2,285
General reserve (Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.)	54,575	54,575
Retained earnings (Retained earnings represent the cumulative profit / (loss) of the Company and effects of re-measurement of defined benefit obligations and can be utilised in accordance with the provisions of the Companies Act, 2013)	(90,677)	(1,29,124)
Other reserves (Represent money received against equity warrants earlier forfeited and can be utilised in accordance with the provisions of the Companies Act, 2013)	6,350	6,350
Total	58,486	20,039

Non - Current Liabilities

13. Financial liabilities	As at 31st March, 2020	As at 31st March, 2019
(i) Borrowings (at amortised cost)		
(a) Secured		
Term loans		
-Banks (Rupee loans)	25,038	2,07,027
-Financial institution (Rupee loan)	-	19,750
(b) Unsecured		
-From a body corporate (Rupee loan)	35	196
Total *	25,073	2,26,973
Aggregate secured borrowings	25,038	2,26,777
Aggregate unsecured borrowings	35	196

* Net of unamortised borrowing cost of Rs.436 lakhs (31st March, 2019 : Rs. 370 lakhs) against term loans from banks

Term loans (secured)	Nature of security	As at 31st March, 2020	As at 31st March, 2019
From banks			
(i) State Bank of India [note (a) below]	A, B, C, D	-	83,231
(ii) ICICI Bank Limited [note (b) below]	A, D	4,498	7,498
(iii) ICICI Bank Limited [note (c) below]	A, B, C, D	8,381	9,151
(iv) ICICI Bank Limited [note (d) below]	A, B	9,075	-
(v) IndusInd Bank Limited [note (e) below]	A, B	3,084	-
(vi) ICICI Bank Limited [note (f) below]	A, D	-	10,000
(vii) State Bank of India [note (f) below]	A, D	-	12,500
(viii) State Bank of India [note (f) below]	A, B, C, D	-	56,481
(ix) HDFC Bank Limited [note (f) below]	A, B, D	-	1,716
(x) Bank of Baroda [note (f) below]	A, B, D	-	10,312
(xi) Axis Bank Limited [note (f) below]	A, B, C, D	-	16,138
		25,038	2,07,027
From financial institution			
(xii) Export Import Bank of India [note (f) below]	A, B, C, D	-	19,750
		-	19,750
(xiii) Loan from a body corporate [note (g) below]		35	196
		35	196
Total		25,073	2,26,973

Loan covenants

Bank loans contain certain debt covenants relating to net debt to EBITDA, debt service coverage ratio, fixed assets coverage ratio etc. The Company has complied with all debt covenants stipulated in the terms of bank loan during the year.

Nature of security

- Secured by a first pari-passu charge by hypothecation/mortgage over all the property, plant and equipment (present and future) of the Company other than the assets exclusively charged to other lenders and second pari-passu charge in favour of lenders of working capital loans.
- Secured by a second charge on entire current assets of the Company (present and future), pari-passu with other term lenders.
- Secured by personal guarantee of Managing Director of the Company.
- Secured by pledge of promoter's holding to the extent of 26% equity in the Company on pari-passu basis.

Secured term loan - interest rate and terms of repayment

- Out of the rupee term loan from a bank amounting to Rs. 83,231 lakhs as at 31st March, 2019, Rs.25,076 lakhs was prepaid and the balance amount of loan for Rs. 58,155 lakhs was repaid at stipulated repayment dates during the year.
- Out of the rupee term loan from a bank amounting to Rs. 7,498 lakhs as at 31st March, 2019, Rs.2,500 lakhs was prepaid and the balance amount of loan for Rs. 4,498 lakhs is repayable in seven quarterly instalments up to 30th September, 2022. Interest is payable on monthly basis at one year marginal cost of fund of the bank plus 2.15% p.a.
- Rupee term loan from a bank amounting to Rs. 8,381 lakhs (31st March, 2019 : Rs. 9,151 lakhs) is repayable in nineteen quarterly instalments from 30th June, 2021 to 31st December, 2025. Interest is payable on monthly basis at one year marginal cost of fund of the bank plus 2.15% p.a.
- Rupee term loan from a bank amounting to Rs. 9,075 lakhs (31st March, 2019 : Nil) is repayable in seventeen quarterly instalments from 30th June, 2021 to 30th June, 2025. Interest is payable on monthly basis at one year marginal cost of fund of the bank plus 1.60% p.a.

Notes to the standalone financial statements as at and for the year ended 31st March, 2020

(All amounts in Rs. lakhs)

- (e) Rupee term loan from a bank amounting to Rs. 3,084 lakhs (31st March, 2019 : Rs. Nil lakhs) is repayable in thirteen quarterly instalments from 8th April, 2021 to 8th April, 2024. Interest is payable on monthly basis at one year marginal cost of fund of the bank plus 1.10% p.a.
- (f) These loans have been prepaid by the Company on 11th of April, 2019.
- (g) Rupee loan from a body corporate amounting to Rs. 35 lakhs (31st March, 2019 : Rs. 196 lakhs) is repayable in quarterly instalments (comprising of various loans with different quarterly payment schedules). Interest is payable on quarterly basis at 11.81% p.a.
- (h) Outstanding balances of loans and terms of repayment as indicated in (b) to (e) and (g) above are exclusive of current maturities of such loans as disclosed in Note 16(iii).

	As at 31st March, 2020	As at 31st March, 2019
(ii) Lease liabilities (at amortised cost)	26	-
Total lease liabilities	29	-
Less : shown under current (refer note 16 (iv))	3	-
Non current lease liability	26	-
Change in liabilities arising in financial activities		
Beginning of the year	-	-
On adoption of IndAS-116	27	-
Accretion of interest	3	-
Less: payments	1	-
End of the year	29	-

14. Provisions	As at 31st March, 2020	As at 31st March, 2019
Provision for employee benefits		
Gratuity (refer note 31)	3,090	1,345
Long service award (refer note 31)	68	64
Total	3,158	1,409

15. Other liabilities: non-current	As at 31st March, 2020	As at 31st March, 2019
Accruals for various obligations		
Excise/service tax/goods and service tax	1,518	61
Sales tax/entry tax	1,599	1,599
Other legal cases	15	15
	3,132	1,675

Current Liabilities

16. Financial liabilities	As at 31st March, 2020	As at 31st March, 2019
(i) Borrowings (at amortised cost)		
Secured *		
Working capital loans from banks / loans repayable on demand	5,700	58,158
Unsecured		
From related parties # (refer note 32)	-	5,548
Indian rupee bill discounting ##	876	2,550
Total	6,576	66,256

* **Nature of security** - Secured by first charge by way of hypothecation of all current assets of the Company. Further such loans from banks are also secured by charge on certain immovable properties, subject to first charge in favour of financial institutions and banks created/to be created in respect of any existing/future financial assistance/accommodation which has been/may be obtained by the Company. Further, these are secured against pledge of promoter's holding to the extent of 26% equity in the Company on pari-passu basis. The loans are repayable on demand and carry interest @ 10.05% to 11.45% p.a. payable at monthly rests. Apart from securities mentioned above, working capital from a bank is secured by personal guarantee of Managing Director of the Company.

Loans of Rs.150 lakhs and Rs. 5,398 lakhs from related parties has been repaid during the year.

The Company has discounted trade receivables on recourse basis. Accordingly, the monies received on this account are shown as borrowings as the trade receivable does not meet de-recognition criteria. These bills are discounted @ 7.00% to 8.00% p.a. and are repayable within 180 days.

	As at 31st March, 2020	As at 31st March, 2019
(ii) Trade payables (at amortised cost)		
Total outstanding dues of micro and small enterprises (refer note 37)	302	7
Total outstanding dues of creditors other than micro and small enterprises	16,409	15,711
Dues to related parties (refer note 32)	277	403
Acceptances	9,614	5,714
	26,300	21,828
Total	26,602	21,835

Trade payables are normally settled up to 365 day terms.

Acceptances represent arrangements whereby banks make direct payments to suppliers of raw materials. The banks are subsequently repaid by the Company at a later date providing working capital timing benefits. Where these arrangements are for raw materials and have a maturity of upto the credit period contracted with the suppliers, the economic substance of the transaction is considered to be operating in nature and included under "Trade payables".

Acceptances payable to banks carry interest @ 8.50% to 9.00% p.a. and are secured by hypothecation of all current assets of the Company. Further such acceptances are also secured by charge on certain movable & immovable properties, subject to first charge in favour of financial institutions and banks created/to be created in respect of any existing/future financial assistance/accommodation which has been/may be obtained by the Company. Further, in respect of acceptances from a bank, these are secured against pledge of promoter's holding to the extent of 26% equity in the Company on pari-passu basis. In respect of acceptances from another bank, personal guarantee of Managing Director has been given.

Refer note 34B (b) for explanations on the Company's liquidity risk management processes.

(iii) Other financial liabilities	As at 31st March, 2020	As at 31st March, 2019
Derivatives not designated as hedges		
Foreign exchange forward contracts #	397	-
Other financial liabilities at amortised cost		
Current maturities of long-term borrowings ###	3,237	38,551
Interest accrued but not due on borrowings	53	3,156
Interest accrued but not due on borrowings from related party (refer note 32)	-	234
Interest accrued on trade payables and others	147	152
Unclaimed dividends ##	3	3
Security deposits received	221	331
Liability towards project vendors	2,785	5,198
Payable relating to coal mines	1,384	1,384
Payable to a related party (refer note 32)	139	25
Employee benefits payable @	1,785	2,388
Other payables	71	524
Total	10,222	51,946

Financial liabilities at fair value through profit and loss

Derivative instruments at fair value through profit and loss reflect the negative change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships. Refer note 34B for details regarding the nature and extent of risks arising from financial instruments to which the Company is exposed at the end of the reporting year.

There are no amount due for payment to the Investor Education and Protection Fund under Section 125C of the Companies Act, 2013 as at the year end.

Interest rate, nature of security and terms of repayment are:

	Term Loan (secured)	Nature of security	As at 31st March, 2020	As at 31st March, 2019
	From banks			
(i)	ICICI Bank Limited [note (a) below]	A, B, C, D	800	700
(ii)	ICICI Bank Limited [note (b) below]	A, D	500	2,625
(iii)	ICICI Bank Limited [note (c) below]	A, B	750	-
(iv)	IndusInd Bank Limited [note (d) below]	A, B	1,000	-
(v)	State Bank of India [note (e) below]	A, D	-	6,248
(vi)	State Bank of India [note (e) below]	A, B, C, D	-	5,373
(vii)	State Bank of India [note (e) below]	A, B, C, D	-	6,300
(viii)	HDFC Bank Limited [note (e) below]	A, B, D	-	285
(ix)	RBL Bank Limited [note (e) below]	A, B, D	-	7,300
(x)	Bank of Baroda [note (e) below]	A, B, D	-	2,063
(xi)	ICICI Bank Limited [note (e) below]	A, D	-	5,000
(xii)	Axis Bank Limited [note (e) below]	A, B, C, D	-	1,850
			3,050	37,744
	From financial institutions			
(xiii)	Export Import Bank of India [note (e) below]	A, B, C, D	-	250
			-	250
(xiii)	Unsecured loan from a body corporate [note (f) below]		187	557
			187	557
	Total		3,237	38,551
	Aggregate secured borrowings		3,050	37,994
	Aggregate unsecured borrowings		187	557

Nature of security

- (A) Secured by a first pari-passu charge by hypothecation/mortgage over all the property, plant and equipment (present and future) of the Company other than the assets exclusively charged to other lenders and second pari-passu charge in favour of lenders of working capital loans.
- (B) Secured by a second charge on entire current assets of the Company (present and future), pari-passu with other term lenders.
- (C) Secured by personal guarantee of Managing Director of the Company.
- (D) Secured by pledge of promoter's holding to the extent of 26% equity in the Company on pari-passu basis.

Secured term loan - interest rate and terms of repayment

- (a) Rupee term loan from a bank amounting to Rs. 800 lakhs (31st March, 2019 : Rs. 700 lakhs) is repayable in four quarterly instalments from 30th June, 2020 to 31st March, 2021. Interest is payable on monthly basis at base rate of the bank plus 2.15% p.a.
- (b) Rupee term loan from a bank amounting to Rs. 500 lakhs (31st March, 2019 : Rs. 2,625 lakhs) is repayable by 31st March, 2021. Interest is payable on monthly basis at base rate of the bank plus 2.15% p.a.
- (c) Rupee term loan from a bank amounting to Rs. 750 lakhs (31st March, 2019 : Nil) is repayable in three quarterly instalments from 30th September, 2020 to 31st March, 2021. Interest is payable on monthly basis at base rate of the bank plus 1.60% p.a.
- (d) Rupee term loan from a bank amounting to Rs. 1000 lakhs (31st March, 2019 : Nil) is repayable in four quarterly instalments from 8th April, 2020 to 8th January, 2021. Interest is payable on monthly basis at base rate of the bank plus 1.10% p.a.
- (e) These loans have been prepaid by the Company on 11th of April, 2019.
- (f) Rupee loans from a body corporate amounting to Rs. 187 lakhs (31st March, 2019 : Rs. 557 lakhs) is repayable in quarterly instalments (comprising of various loans with different quarterly payment schedules) between 1st April, 2020 to 31st March, 2021. Interest is payable on quarterly basis at 11.81% p.a.

@ Includes payable to key management personnel Rs. Nil (31st March, 2019 : Rs 27 lakhs) [refer note 32].

		As at 31st March, 2020	As at 31st March, 2019
(iv)	Lease liabilities (at amortised cost)		
	Lease liabilities	3	-

Changes in liabilities arising from financing activities					
Particulars	1st April 2019	Cash flows	EIR adjustment	Others	31st March, 2020
Non current borrowings	2,26,973	(1,99,043)	380	(3,237)	25,073
Current maturities of long term borrowings	38,551	(38,551)	-	3,237	3,237
Loans repayable on demand	58,158	(40,225)	-	(12,233)	5,700
Loan from a related party	5,548	(5,548)	-	-	-
Indian Rupee bill discounting #	14,145	(13,269)	-	-	876
Total liabilities from financing activities	3,43,375	(2,96,636)	380	(12,233)	34,886

Notes to the standalone financial statements as at and for the year ended 31st March, 2020

(All amounts in Rs. lakhs)

Particulars	1st April 2018	Cash flows	EIR adjustment	Others	31st March, 2019
Non current borrowings	2,65,579	1,250	(1,549)	(38,307)	2,26,973
Current maturities of long term borrowings	32,222	(32,222)	244	38,307	38,551
Loans repayable on demand	48,061	10,097	-	-	58,158
Buyer's credit including acceptances from banks	10,740	(10,740)	-	-	-
Loan from a related party	150	5,398	-	-	5,548
Indian Rupee bill discounting #	23,565	(9,420)	-	-	14,145
Total liabilities from financing activities	3,80,317	(35,637)	(1,305)	-	3,43,375

include figures from continued and discontinued operations (Rs. 11,595 lakhs as on 1st April 2019).

17. Provisions	As at 31st March, 2020	As at 31st March, 2019
Provision for employee benefits		
Gratuity (refer note 31)	-	10
Leave encashment	724	612
Long service award (refer note 31)	4	4
Total	728	626

18. Income tax liabilities (net)	As at 31st March, 2020	As at 31st March, 2019
Provision for income tax [net of taxes paid Rs 713 lakhs (31st March, 2019 : Rs 713 lakhs)]	175	175

19. Other liabilities: current	As at 31st March, 2020	As at 31st March, 2019
Contract liabilities *		
- related parties (refer note 32)	11	296
-others	3,584	2,536
Statutory dues payable #	1,955	3,894
Advance received against sale of land	33	15
Renewable power obligation	4,205	3,852
Total	9,788	10,593

* Contract liabilities are short-term advances received towards sale of goods and are non-interest bearing

Statutory dues primarily includes payable in respect of goods and services tax (GST), tax deducted at source etc.

20. Revenue from operations	Year ended 31st March, 2020	Year ended 31st March, 2019
Sale of goods	1,34,401	1,64,774
Sale / rendering of services	445	545
Other operating revenue:		-
Product scrap sales	2,262	3,289
Sale of captive power	420	440
Export incentive	1,734	1,755
Total	1,39,262	1,70,803

20A. Disaggregated revenue information	Year ended 31st March, 2020	Year ended 31st March, 2019
Set out below is the disaggregation of the Company's revenue from contracts with customers:		
Wire and wire ropes	1,39,092	1,70,505
Others	170	298
Total revenue from contracts with customers	1,39,262	1,70,803

For reconciliation of the revenue from operations with the amounts disclosed in the segment information, refer note 33		
India	1,00,091	1,29,589
Outside India	39,171	41,214
Total revenue from operations	1,39,262	1,70,803

20B. Timing of revenue recognition	Year ended 31st March, 2020	Year ended 31st March, 2019
Goods transferred at a point in time	1,38,817	1,70,258
Services rendered over time	445	545
	1,39,262	1,70,803

20C. Contract balances	Year ended 31st March, 2020	Year ended 31st March, 2019
Trade receivables [refer note 9(i)]	18,197	21,705
Contract liabilities (refer note 19)	3,595	2,832

Trade receivables are generally on terms of 30 to 90 days. In March 2020, Rs. 372 lakhs (31st March, 2019: Rs. 197 lakhs) was recognised as allowance for credit impaired trade receivables.

Contract liabilities include advances received to deliver goods or services. The outstanding balances of these accounts increased in 2019-20 as compared to 2018-19 with increase in the Company's customer base.

20D. Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted prices	Year ended 31st March, 2020	Year ended 31st March, 2019
Revenue as per contracted prices	1,40,603	1,72,307
Less: discount/volume rebates	1,341	1,504
Revenue from contract with customers	1,39,262	1,70,803

20E. The Company has recognised the following revenue-related contract liabilities and receivables from contract with customers	Year ended 31st March, 2020	Year ended 31st March, 2019
Amounts included in contract liabilities at the beginning of the year	2,832	3,940
Less : Revenue recognised against the opening contract liability on satisfaction of performance obligations	2,481	3,499
Add: Advance received during the year	3,244	2,391
Amounts included in contract liabilities at the end of the year	3,595	2,832

20F. Performance obligations

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 90 days from delivery. Some contracts provide eligible customers with volume rebates which give rise to variable consideration subject to constraint.

	Year ended 31st March, 2020	Year ended 31st March, 2019
The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31st March, 2020 are, as follows:	18,986	23,286
0-1 Months	12,160	14,914
1-3 Months	4,696	5,760
3-6 Months	1,806	2,215
More than 6 months	324	397

All the performance obligations are expected to be recognised within one year.

21. Other income	Year ended 31st March, 2020	Year ended 31st March, 2019
Dividend income	160	513
Miscellaneous scrap sales	74	58
Exchange differences (net)	1,060	124
Gain on derivative contracts / cancellation of forward contracts (net)	-	250
Liabilities no longer required written back	936	132
Claims received	6	11
Gain on disposal of property, plant and equipment (net) #	6	609
Interest income on financial assets carried at amortised cost	366	502
Miscellaneous income	381	766
Total	2,989	2,965

Includes Nil (31st March, 2019 : Rs. 612 lakhs on account of profit from sale of Agra plant)

22. Cost of materials consumed	Year ended 31st March, 2020	Year ended 31st March, 2019
Opening Stock	3,731	3,961
Add: Purchases	80,243	1,15,299
	83,974	1,19,260
Less: Closing stock	9,884	3,731
Cost of materials consumed *	74,090	1,15,529

* Cost of materials consumed includes packing materials amounting to Rs. 3,472 lakhs (31st March, 2019 : Rs. 3,629 lakhs)

23. (Increase) / decrease in inventories of finished goods, work-in-progress, stock-in-trade and scrap/by-product	Year ended 31st March, 2020	Year ended 31st March, 2019
(A) Finished goods		
Opening stock	2,996	3,590
Less : Closing stock	5,328	2,996
Adjustment on account of discontinued operations	(123)	(325)
	(2,455)	269
(B) Work-in-progress		
Opening stock	15,518	8,966
Less : Closing stock	4,992	15,518
Adjustment on account of discontinued operations	(124)	(693)
	10,402	(7,245)
(C) Stock-in-trade		
Opening stock	94	44
Less : Closing stock	103	94
Adjustment on account of discontinued operations	-	1
	(9)	(49)
(D) Scrap/by-product		
Opening stock	190	473
Less : Closing stock	510	190
Adjustment on account of discontinued operations	(6)	(1)
	(326)	282
Net (increase) / decrease in inventories [(A) + (B) + (C) + (D)]	7,612	(6,743)

24. Employee benefits expense	Year ended 31st March, 2020	Year ended 31st March, 2019
Salaries, wages and bonus	11,095	9,662
Contribution to provident and other funds	868	820
Gratuity expense (refer note 31)	279	331
Staff welfare expenses	509	574
Total	12,751	11,387

25. Finance costs	Year ended 31st March, 2020	Year ended 31st March, 2019
Interest expense on financial liabilities measured at amortised cost	4,880	8,486
Interest on lease liabilities	3	-
Other borrowing costs (includes letter of credit opening and retirement charges, loan processing fees etc.)	924	536
Total	5,807	9,022

26. Depreciation and amortisation expenses	Year ended 31st March, 2020	Year ended 31st March, 2019
Depreciation of property, plant and equipment (refer note 3A)	2,493	2,530
Amortization of intangible assets (refer note 3B)	282	280
Amortization of right-of-use assets (refer note 4)	2	-
Total	2,777	2,810

27. Other expenses	Year ended 31st March, 2020	Year ended 31st March, 2019
Consumption of stores and spares / loose tools	2,271	2,334
Operations and maintenance :		
Plant and machinery	3,402	3,344
Buildings	115	80
Power and fuel [refer note (i) below]	8,770	9,469
Freight and forwarding charges	5,462	5,608
Rent and hire charges	131	46
Rates and taxes	60	88
Insurance	198	187
Travelling and conveyance	377	249
Directors' sitting fees	34	21
Remuneration to auditors [refer note (ii) below]	46	26
Fair value loss on derivative contracts (net)	476	-
Allowance for credit impaired debts and advances (net)	637	209
Bad Debts / advances written off	103	65
Less: adjusted against provision for credit impaired debts and advances	-	14
Material handling charges	234	231
Processing charges	52	141
Miscellaneous expenses [refer note (iii) and (iv) below]	3,062	2,760
Total	25,430	24,844

	Year ended 31st March, 2020	Year ended 31st March, 2019
(i) The following expenses are included in power and fuel expenses in the Statement of Profit and Loss :		
Consumption of stores and spares / loose tools	191	119
Material handling charges	127	127
Operations and maintenance: plant and machinery	322	333
Operations and maintenance: buildings	4	6
Miscellaneous expenses	27	24
Total	671	609
(ii) Remuneration to auditors comprises of :		
As auditor:		
As auditor - for statutory audit and limited reviews	38	20
Tax audit fee	7	2
For other services	-	2
Reimbursement of expenses	1	2
Total	46	26
(iii) Research and development costs that are not eligible for capitalisation have been expensed during the year amounting to Rs.340 lakhs (31st March, 2019: Rs 396 lakhs), and are recognised in miscellaneous expenses.		

(iv) Details of CSR expenditure :	Year ended 31st March, 2020	Year ended 31st March, 2019
Gross amount required to be spent by the Company during the year	NA	NA
Amount spent during the year		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-
Total	-	-

28. Earnings / (loss) per equity share (EPS)	Year ended 31st March, 2020	Year ended 31st March, 2019
The following reflects the income and share data used in the basic and diluted EPS computations :		
Net profit/(loss) before OCI attributable to equity holders for basic and diluted EPS from continuing operations (a)	(8,604)	39,868
Net profit/(loss) before OCI attributable to equity holders for basic and diluted EPS from discontinued operations (b)	48,144	(33,968)
Profit/(loss) for the period [(c) = (a) + (b)]	39,540	5,900
Weighted average number of equity shares outstanding for the purpose of basic and diluted EPS	30,47,41,780	30,47,41,780
Basic and diluted earnings / (loss) per equity share from continuing operations (Rs.)*	(2.82)	13.08
Basic and diluted earnings / (loss) per equity share from discontinued operations (Rs.)	15.80	(11.15)
Basic and diluted earnings / (loss) per equity share from continuing and discontinued operations (Rs.)	12.97	1.93
Nominal value per share (Re.)	1	1

* During the year ended March 31, 2019, the Company had recognised net deferred tax assets (DTA) of Rs. 23,846 lakhs as part of continuing business arising from unabsorbed depreciation and brought forward business losses that would be available to the continuing business for set off against long-term capital gain (LTCG) that would arise from sale of SBB Business and against future taxable income of the continuing business. Pursuant to sale of SBB business during the year ended March 31, 2020, the Company has utilised such deferred tax assets against LTCG arising from sale of SBB Business. Management believes that balance DTA of Rs. 4,293 lakhs will be recovered against future taxable income arising from the continuing business. The earnings per share of continuing operations for the year ended March 31, 2020 are hence not comparable with the earnings per share of the previous periods reported.

Earnings per share from discontinued operations as disclosed in these financial statements have been determined taking into consideration the profit from sale of SBB Business as stated in Note 35 (ii)

There have been no other transactions involving equity shares between the reporting date and the date of authorisation of these financial statements.

29. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts and the disclosures. The Company based its assumptions and estimates on parameters available when the financial statements were prepared and these are reviewed at each Balance Sheet date. Uncertainties about these assumptions and estimates including those relating to the on-going COVID-19 pandemic as explained in Note 40 could result in outcomes that may require a material adjustment to the reported amounts and disclosures.

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- Capital management (refer note 35D)
- Financial risk management objectives and policies (refer note 34B)
- Sensitivity analyses disclosures (refer note 31).

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

(i) Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating

whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset). The Company included the renewal period as part of the lease term for leases of plant and machinery with shorter non-cancellable period (i.e., three to five years). The Company typically exercises its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of plant and machinery with longer non-cancellable periods (i.e., 10 to 15 years) are not included as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Property lease classification – Company as lessor

The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

(ii) Revenue from contracts with customers

The Company applied the judgement of determining method to estimate

variable consideration and assessing the constraint that significantly affect the determination of the amount and timing of revenue from contracts with customers.

Certain contracts for the sale of goods include volume rebates that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled. In estimating the variable consideration for the sale of goods with volume rebates, the Company determined that the most likely amount method is appropriate.

(iii) Discontinued operations [refer note 35(ii)]

The Steel and Bright Bar Business (SBB Business) included only those assets and liabilities (including contingencies) that were to be acquired by the Purchaser under the terms of the BTA subject to the amendments and substitution vide Supplemental BTA (assumed assets, assumed liabilities and assumed litigations).

The assumed assets and assumed liabilities, related income and expenses and allocated expenses including interest cost and corporate shared service expenses pertaining to SBB Business till date of its disposal has been considered for determining assets/liabilities held for sale and results of discontinued operations in accordance with recognition and measurement principles as prescribed by Ind AS 105 : Non-current assets held for sale and discontinued operations.

As per BTA subject to the amendments and substitution vide Supplemental BTA, "Bright Bar Unit" means all the plant and machinery pertaining to the bright bar business of the Company located at Ranchi and Chennai respectively. Accordingly, only plant and machinery pertaining to the bright bar business of the Company located at Ranchi and Chennai has been considered.

All long-term borrowings including current maturities and short term borrowings representing working capital loans and loans repayable on demand are not assumed liabilities of discontinued operations under the terms of BTA.

Assets, liabilities, income and expenses recognised in the SBB Business are those which are directly attributable to these Business and are based on the books of account and underlying accounting records maintained by the SBB Business.

Pursuant to the terms of the BTA, certain assets pertaining to SBB Business are pass through in nature (i.e. the beneficial ownership of these assumed assets continued to be with the Company) such as export incentives receivable, claims receivables, deposit for fuel surcharge matter/electricity matter and deposit for a legal mining case which would be transferred immediately to the Company by the Purchaser whenever received post-closing date. Consequently, such receivables have been retained by the Company and is forming part of the continuing operations.

As per BTA subject to the amendments and substitution vide Supplemental BTA, the costs that may have to be incurred for transfer of plant and machinery of Bright Bar Business from their current location to the Purchaser's premises and other transaction costs in respect of appraisal cost, professional fees, documentation, legal expenses, counsel's fees etc. will not be borne by the SBB Business.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they

occur.

(i) Useful economic lives of property, plant and equipment and impairment considerations

Property, plant and equipment/intangible assets are depreciated/amortised over their estimated useful life, after taking into account estimated economic residual value. Management reviews the estimated economic useful life and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates. The Company also reviews its property, plant and equipment, for possible impairment if there are events or changes in circumstances that indicate that carrying values of the assets may not be recoverable. In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits such as changes in commodity prices, the Company's business plans and changes in regulatory environment are taken into consideration.

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The carrying value of the assets of a cash generating unit (CGU) is compared with the recoverable amount of those assets, that is, the higher of fair value less costs of disposal and value in use. Recoverable value is based on the management estimates of commodity prices, market demand and supply, economic and regulatory climates, long-term plan, discount rates and other factors. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of the assets.

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

(ii) Taxes

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits and business developments together with future tax planning strategies.

(iii) Defined benefit plans

The cost and the present value of the defined benefit gratuity plan and long term service award are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. 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. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of Government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality table. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

(iv) Revenue recognition - estimating variable consideration for volume rebates

The Company estimates variable considerations to be included in the transaction price for the sale of goods with volume rebates. Determining whether a customer will be likely entitled to rebate will depend on the customer's historical rebates entitlement and accumulated purchases to date. Estimates of volume rebates are sensitive to changes in circumstances and the Company's past experience regarding rebate entitlements may not be representative of customers' actual rebate entitlements in the future.

(v) Leases - estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Company estimates the IBR using observable inputs (such as market interest rates) when available.

(vi) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is

probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows. The Company has capital commitments in relation to various capital projects which are not recognized on the Balance Sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability. The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

(vii) Non-current assets held for sale

Assets and liabilities of non-current assets held for sale are measured at the lower of carrying amount and fair value less cost to sale. The determination of fair value less costs to sale include use of management estimates and assumptions. The fair value has been estimated using valuation techniques (including income and market approach) which includes unobservable inputs.

(viii) Valuation of inventories

The Company follows suitable provisioning norms for writing down the value of slow-moving, non-moving and surplus inventory. This involves various judgements and assumptions that may differ from actual developments in the future.

30. Commitments and contingencies

A Leases

Company as lessee

- (i) The Company as a lessee has entered into various lease contracts, which includes lease of land, office space, employee residential accommodation, guest house etc. Before the adoption of Ind AS 116 : Leases, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Generally, the Company is restricted from assigning and subleasing the leased assets. There are lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in aligning with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The Company has certain leases of office space, employee residential accommodation, guest house etc with lease terms of 12 months or less. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the net carrying amounts of right-of-use assets recognised in Balance Sheet and the movement during the year:

(All amounts in Rs. lakhs)

	Land#	Total right-of-use assets
As at 31st March, 2019	-	-
Addition during the year	27	27
Transfer in from property, plant and equipment	58	58
Less :amortisation	2	2
As at 31st March, 2020	83	83

Represents unamortised leasehold rights

- (ii) Set out below are the carrying amounts of lease liabilities and the movement during the year:

	As at 31st March, 2020	As at 31st March, 2019
Balance as at beginning of the year	-	-
Addition	27	-
Accretion of interest	3	-
Payments	1	-
Balance as at the end of the year	29	-
Current	3	-
Non-current	26	-

The effective interest rate for lease liabilities is 10.95%, with maturity between 2021-2095.

- (iii) Amounts recognised in the Statement of Profit and Loss

	As at 31st March, 2020	As at 31st March, 2019
Amortisation expense of right-of-use assets (recognised in depreciation and amortization expenses)	2	-
Interest expense on lease liabilities (recognised in finance costs)	3	-
Expense relating to short-term leases (included in rent and hire charges)	131	46
Total amount recognised in Statement of Profit and Loss for the year	136	46

- (iv) Amount recognised in the Statement of Cash Flows

Total cash outflow for the leases	1	-
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- (v) The Company has total cash outflows for leases for the year ended 31st March 2020 amounting to Re.1 lakh (31st March, 2019 : Nil).

B Commitments

	As at 31st March, 2020	As at 31st March, 2019
(i) Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	510	358
(ii) Other commitments		
Export obligations against the import licenses taken for import of capital goods under the Export Promotion Capital Goods Scheme. The Company is reasonably certain to receive the discharge certificates in respect of its pending export obligations, hence it does not anticipate a liability with respect to its obligations.	1,17,500	1,46,000
(iii) Guarantees		
(a) Corporate guarantee given by the Company to banks / third parties to secure the financial assistance / accommodation extended on behalf of subsidiaries. The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.	4,252	6,762
(b) The Company has provided a letter of comfort to a bank that has provided credit facilities to its joint venture, Pengg Usha Martin Limited. Such facilities have been utilised to the extent of Rs. 2,986 lakhs as at 31st March, 2020 (Rs 3,659 lakhs as at 31st March, 2019) by the joint venture company. Vide the letter of comfort, the Company has provided an undertaking not to dispose off its investment in that joint venture company and to provide full support to its operations.		
(iv) Bank guarantees		
The Company has given bank guarantees details of which are as below:		
(a) In favour of various parties against various contracts	461	362
The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.		

C Contingent liabilities

	As at 31st March, 2020	As at 31st March, 2019
Claims against the Company not acknowledged as debt ##*^		
Demand for income tax matters	2,162	3,006
Demand for sales tax, entry tax and electricity duty**	4,652	11,015
Demand for excise duty and service tax	13,056	13,500
Demand for customs duty	1,576	1,553
Demand for Goods and Service Tax	487	443
Outstanding labour disputes	39	78
Demand for fuel surcharge matter and delayed payment surcharge pending with appropriate authority	10,980	10,980
Demand for mining matter pending with High Court of Jharkand @	2,862	2,862
Demand for compensation on account of mining and dump/infrastructure/colony established outside approved mining lease area	1,710	1,710
Demand for financial assurance amount in Escrow account	226	226
Disputed claims by parties not acknowledged as debt by the Company	5,276	5,347
Demand for land rent etc. by Adityapur Industrial Development Authority	-	8,641

** Includes demand aggregating to Rs. 1,730 lakhs (31st March, 2019 : Rs. 3,214 lakhs) received by the Company towards entry tax in West Bengal and Punjab. Subsequent to the decision of the Hon'ble Supreme Court of India, vide order dated 11th November, 2016, upholding the rights of State Governments to impose entry tax, the Company has filed petitions before the Hon'ble High Courts of the aforesaid States and also Jharkhand on grounds that entry tax imposed by respective State legislations is discriminatory in nature. Pending decisions by the Hon'ble High Courts, the Company's obligation, if any, towards entry tax is not ascertainable. Based on legal opinion obtained, management believes that there will be no resultant adverse impact on the Company.

@ The Company had given an undertaking to deposit Rs. 1,922 lakhs in six instalments in terms of the order of the Hon'ble High Court of Jharkand. Against the same, the Company has deposited an amount of Rs. 1,922 lakhs upto 31st March, 2020.

Pending necessary clarification, the Company has complied with the order of the Hon'ble Supreme Court of India regarding applicability of Employees' Provident Funds & Miscellaneous Provisions Act, 1952 to certain fixed elements of remuneration paid/payable to employees with effect from the date of such order, i.e., February 28, 2019. Any additional provision in respect of earlier periods will be recognised as and when further clarifications will be available.

* Future cash outflows in respect of the above matters are determinable only on receipt of judgments/decisions pending at various forums/authorities. Based on discussions with the solicitors/favourable decisions in similar cases/legal opinions taken by the Company, the management believes that the Company has a good chance of success in above mentioned matters and hence no provision there against is considered necessary.

^ Following were disclosed as part of discontinued operations as at 31st March, 2019, but has been retained by the Company as part of continuing operations:

	As at 31st March, 2019
Demand for Goods and Service Tax	443
Outstanding labour disputes	13
Demand for fuel surcharge matter and delayed payment surcharge pending with appropriate authority	4,190
Demand for mining matter is pending with appropriate authority	2,862

31. Post employment defined contribution plans and post employment defined benefit plans**(a) Post employment defined contribution plans**

	Year ended 31st March, 2020	Year ended 31st March, 2019
Amount recognised in the Statement of Profit and Loss		
(i) Pension fund paid to the authorities	312	305
(ii) Superannuation fund - contribution payable / paid to a Trust	200	195
Total	512	500

(b) Post employment defined benefit plans**I. Gratuity plan**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with an insurance company.

II. Long term service award

Employees of the Company rendering greater than twenty years of service will receive long service award on all causes of exit as per the Company's policy. The cost of providing benefits under this plan is determined by actuarial valuation using the projected unit credit method by independent qualified actuaries at the year end.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the above defined benefit plans:

A	Expenses recognised in the statement of profit and loss	Year ended 31st March, 2020		Year ended 31st March, 2019	
		Gratuity	Long term service award	Gratuity	Long term service award
1	Current / past service cost	178	3	371	5
2	Net interest cost	101	5	219	5
3	Less: amount recognised in Statement of Profit and Loss- discontinued operations	-	-	(259)	(4)
4	Amount recognised in Statement of Profit and Loss in continuing operations (i)	279	8	331	6
	Expenses recognised in other comprehensive income				
5	Remeasurement (gains)/losses on defined benefit plans				
	Arising from changes in experience	855	(6)	78	36
	Arising from changes in financial assumptions	604	4	130	2
	Return on plan assets greater/(lesser) than discount rate	6	-	-	-
	Less: amount recognised in current year in discontinued operations	-	-	(149)	(23)
6	Total (ii)	1,465	(2)	59	15
7	Total expense (i)+(ii)	1,744	6	390	21

B	Net asset / (liability) recognised in the balance sheet	As at 31st March, 2020		As at 31st March, 2019	
		Gratuity	Long term service award	Gratuity	Long term service award
1	Present value of defined benefit obligation	4,481	72	2,976	68
2	Fair value of plan assets	1,391	-	1,621	-
3	Net asset / (liability)	(3,090)	(72)	(1,355)	(68)

C	Change in the present value of the defined benefit obligation during the year	As at 31st March, 2020		As at 31st March, 2019	
		Gratuity	Long term service award	Gratuity	Long term service award
1	Present value of defined benefit obligation at the beginning of the year	2,976	68	4,961	72
2	Current service cost /plan amendments	178	3	371	5
3	Interest cost	210	5	359	5
4	Benefits paid	(342)	(2)	(600)	(10)
5	Remeasurement (gains)/losses	1,459	(2)	208	38
6	Return on plan assets greater/(lesser) than discount rate	-	-	(43)	-
7	Less: amount recognised in discontinued operations	-	-	(2,280)	(42)
8	Present value of defined benefit obligation at the end of the year	4,482	72	2,976	68

		As at 31st March, 2020	As at 31st March, 2019
D	Change in the fair value of plan assets during the year (gratuity)		
1	Plan assets at the beginning of the year	1,621	2,121
2	Interest income	109	140
3	Contribution by employer	9	3
4	Actual benefits paid	(342)	(600)
5	Return on plan assets greater/(lesser) than discount rate	(6)	(43)
6	Plan assets at the end of the year	1,391	1,621

E In 2020-21, the Company expects to contribute Rs.2,690 lakhs to gratuity fund.

F	The major categories of plan assets as a percentage of the fair value of total plan assets	As at 31st March, 2020	As at 31st March, 2019
	Investments with insurer	97%	98%
	Cash and cash equivalent	3%	2%
	Total	100%	100%

G	Actuarial assumptions	As at 31st March, 2020		As at 31st March, 2019	
		Gratuity	Long term service award	Gratuity	Long term service award
1	Discount rate	6.70%	6.70%	7.50%	7.50%
2	Expected rate of return on plan assets	6.70%	NA	7.50%	NA
3	Mortality pre retirement	IALM 2006-2008	IALM 2006-2008	IALM 2006-2008	IALM 2006-2008
4	Mortality post retirement	LIC(1996-98) Ultimate	NA	LIC(1996-98) Ultimate	NA
5	Withdrawal rate	1%	1%	1%	1%
6	Rate of salary increases	6%	6%	5%	5%

H The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by the actuary. The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

I	Maturity profile of the defined benefit obligation (undiscounted amount)	Gratuity		Long term service award	
		As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
	Expected benefit payments for the year ending				
	Not later than 1 year (next annual reporting period)	222	288	4	4
	Later than 1 year and not later than 5 years	1,438	994	30	27
	Later than 5 year and not later than 10 years	2,891	1,879	45	43
	More than 10 years	12,582	10,023	13	15
	Total expected payments	17,133	13,184	92	89
	Weighted average duration of defined benefit obligation	9	8	7	7
J	Sensitivity analysis				

The basis of various assumptions used in actuarial valuations and their quantitative sensitivity analysis is as shown below:

Increase/ (decrease) in defined benefit obligation	As at 31st March, 2020		As at 31st March, 2019	
	Gratuity	Long term service award	Gratuity	Long term service award
Discount rate				
Increase by 1%	(350)	(5)	(290)	(104)
Decrease by 1%	401	5	184	24
Expected rate of increase in compensation level of covered employees	As at 31st March, 2020		As at 31st March, 2019	
	Gratuity	Long term service award	Gratuity	Long term service award
Increase by 1%	396	*	185	*
Decrease by 1%	(353)	*	(355)	*

* Amount is below the rounding off norm adopted by the Company.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the project unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the Balance Sheet.

K Risk analysis

Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefit plans and management's estimation of the impact of these risks are as follows:

(i) Interest risk

A decrease in the interest rate on plan assets will increase the plan liability.

(ii) Longevity risk/Life expectancy

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

(iii) Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

(iv) Investment risk

The Gratuity plan is funded with Life Insurance Corporation of India (LIC). The Company does not have any liberty to manage the fund provided to LIC. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

III Provident Fund

Provident Fund contributions in respect of employees are made to Trusts administered by the Company and such Trusts invest funds following a pattern of investments prescribed by the Government. Both the employer and the employees contribute to this Fund and such contributions together with interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefit vests immediately on rendering of services by the employee. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Company. In terms of the guidance on implementing Indian Accounting Standard 19 on Employee Benefits, a provident fund set up by the Company is treated as a defined benefit plan in view of the Company's obligation to meet interest shortfall, if any.

The Actuary has carried out actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the balance sheet date using projected unit credit method and deterministic approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regard to interest rate obligation of the Company as at the Balance Sheet date. Further during the period, the Company's contribution Rs 356 lakhs (31st March, 2019 : Rs 320 lakhs) to the Provident Fund Trust, has been expensed under "Contribution to provident and other funds". Disclosures given hereunder are restricted to the information available as per the Actuary's report.

Principal actuarial assumptions

Principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows:

	As at 31st March, 2020	As at 31st March, 2019
Discount Rate	6.70%	7.50%
Withdrawal rate	1.00%	1.00%
Expected rate of increase in compensation level of covered employees	6.00%	5.00%
In service mortality	IALM (2006-08)	IALM (2006-08)
Post retirement mortality	LIC(1996-98) Ultimate	LIC(1996-98) Ultimate
EPFO Return	8.50%	8.55%

32.	Related party disclosures	
(i)	Related parties	
(A)	Where control relationships exists	
(a)	Subsidiaries	Usha Martin International Limited (UMIL)
		Usha Martin UK Limited (UMUK) @
		European Management and Marine Corporation Limited (EMMC) @
		Brunton Shaw UK Limited (BSUK) @
		De Ruiter Staalkabel B.V. (De Ruiter) @
		Usha Martin Europe B.V. (UMEBV) @
		Usha Martin Italia S.R.L (UMISRL) @
		Usha Martin Singapore Pte. Limited (UMSPL)
		Usha Martin Vietnam Co. Limited (UMVCL) @
		Usha Martin Australia Pty Limited (UMAUS) @
		P. T. Usha Martin Indonesia (PTUMI) @
		Usha Martin China Company Limited (UMCCL) @
		Usha Martin Americas Inc. (UMAI)
		Usha Siam Steel Industries Public Company Limited (USSIL)
		Brunton Wolf Wire Ropes FZCO. (BWWR)
		U M Cables Limited (UMCL)
		Usha Martin Power and Resources Limited (UMPR)
		Bharat Minex Private Limited (BMPL)
		Gustav Wolf Speciality Cords Limited (GWSCL)
(b)	Joint ventures	Pengg Usha Martin Wires Private Limited (PUMWPL)
		CCL Usha Martin Stressing Systems Limited (CCLUMSSL)
		Tesac Usha Wirerope Company Limited (TUWCL)*
(c)	Substantial interest in the voting power of the entity	UMI Special Steel Limited (UMISSL) (under liquidation)
(B)	Key managerial personnel	Mr. Mukesh Rambihari Rohatgi, Chairman
		Mr. Brij K Jhavar, Director
		Mr. Basant Kumar Jhavar, Chairman Emeritus (till 31st March, 2019)
		Mr. Prashant Jhavar, Director (till 13th September, 2019)
		Mr. G. N. Bajpai, Chairman (till 31st March, 2019)
		Mr. Salil Singhal, Director (till 30th July, 2019)
		Mr. Jitender Balakrishnan, Director (till 30th July, 2019)
		Mr. P.S.Bhattacharyya, Director (till 30th July, 2019)
		Mr. Venkatachalam Ramakrishna Iyer, Director
		Mr. Vijay Singh Bapna, Director (with effect from 27th May, 2019)
		Mrs. Ramni Nirula, Director (with effect from 26th July, 2019)
		Ms. A. Ramakrishnan, Director (till 9th January, 2019)
		Mr. Rajeev Jhavar, Managing Director
		Mr. P.K.Jain, Joint Managing Director (Wire and Wire Rope Business)*
		Mr. Rohit Nanda, Chief Financial Officer (till 9th April, 2019)
		Mrs. Shampa Ghosh Ray, Company Secretary
		Mr. Anirban Sanyal, Chief Financial Officer (with effect from 10th April, 2019) and Chief Operating Officer (with effect from 20th January, 2020)
(C)	Others	Usha Martin Employee Provident Fund Trust

* Deceased on 17th May, 2020

@ Represents step-down subsidiaries

* Represents step-down joint venture

Notes to the standalone financial statements as at and for the year ended 31st March, 2020

(All amounts in Rs. lakhs)

Name and relationship		Transactions during the period													
		Sale of products and services	Purchase of goods	Dividend received	Interest expenses/(income) (net)	Key managerial personnel remuneration #	Brokerage and discount on sale of products	Reimbursement/(recoveries) of expenses (net)	Receiving/(recoveries) of management and other services	Directors' sitting fees	Loans/ advances (taken)	Repayment of Loans/ advances taken	Loans/ advances given	(Receipt) of Loans/ advances given	Contribution to employees provident fund trust
Subsidiary Companies															
UMIL	31st March, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31st March, 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UMAI	31st March, 2020	3,050	-	-	-	-	-	-	-	-	-	-	-	-	-
	31st March, 2019	2,973	-	-	-	-	-	-	-	-	-	-	-	-	-
UMLUK	31st March, 2020	7,362	9	-	-	-	12	-	-	-	-	-	-	-	-
	31st March, 2019	8,328	5	-	(1)	-	20	-	-	-	-	-	-	-	-
UMVCL	31st March, 2020	980	-	-	-	-	2	*	-	-	-	-	-	-	-
	31st March, 2019	959	-	-	-	-	9	*	-	-	-	-	-	-	-
UMMAUS	31st March, 2020	1,018	-	-	-	-	-	-	-	-	-	-	-	-	-
	31st March, 2019	1,182	-	-	-	-	1	-	-	-	-	-	-	-	-
BMPL	31st March, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31st March, 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PTUMI	31st March, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31st March, 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-
USSIL	31st March, 2020	2,052	84	-	(70)	-	21	-	(101)	-	-	-	-	-	-
	31st March, 2019	8,492	-	-	(65)	-	-	-	(121)	-	-	-	-	-	-
UMSPL	31st March, 2020	4,835	-	-	-	-	-	-	(24)	-	-	-	-	-	-
	31st March, 2019	4,409	-	-	-	-	10	-	(32)	-	-	-	-	-	-
BWWR	31st March, 2020	10,351	-	-	-	-	-	-	(7)	-	-	-	-	-	-
	31st March, 2019	12,136	-	433	-	-	-	-	18	-	-	-	-	-	-
UMCL	31st March, 2020	5	-	-	21	-	-	254	24	-	5,398	620	(70)	-	-
	31st March, 2019	43	-	-	67	-	-	-	(131)	-	5,502	-	(1,000)	-	-
GWSCL	31st March, 2020	1,207	-	-	8	-	-	-	-	-	150	-	-	150	-
	31st March, 2019	460	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	31st March, 2020	30,860	9	-	(41)	-	14	247	104	-	5,548	620	(70)	150	150
	31st March, 2019	38,982	89	433	1	-	61	-	(95)	-	5,502	-	(1,000)	-	-
Joint Ventures															
PUMWPL	31st March, 2020	528	-	160	-	-	-	(19)	-	-	-	-	-	-	-
	31st March, 2019	4,666	6	80	-	-	-	(55)	-	-	-	-	-	-	-
Total	31st March, 2020	528	-	160	-	-	-	(19)	-	-	-	-	-	-	-
	31st March, 2019	4,666	6	80	-	-	-	(55)	-	-	-	-	-	-	-
Key managerial personnel															
Mr. Rajeev Jhawar	31st March, 2020	-	-	-	-	149	-	-	-	-	-	-	-	-	-
	31st March, 2019	-	-	-	-	158	-	-	-	-	-	-	-	-	-
Mr. Brij K Jhawar	31st March, 2020	-	-	-	-	-	-	-	3	-	-	-	-	-	-
	31st March, 2019	-	-	-	-	-	-	-	3	-	-	-	-	-	-
Mr. P. K. Jain	31st March, 2020	-	-	-	-	140	-	-	-	-	-	-	-	-	-
	31st March, 2019	-	-	-	-	159	-	-	-	-	-	-	-	-	-
Mrs. Ramni Nirula	31st March, 2020	-	-	-	-	-	-	-	5	-	-	-	-	-	-
	31st March, 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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(All amounts in Rs. lakhs)

The following table provides the total amount of transactions that have been entered into with the related parties for the relevant financial period:

Name and relationship	Transactions during the period													
	Sale of products and services	Purchase of goods	Dividend received	Interest expenses/(income) (net)	Key managerial personnel remuneration #	Brokerage and discount on sale of products	Reimbursement/(recoveries) of expenses (net)	Receiving/(recoveries) of management and other services	Directors' sitting fees	Loans/ advances (taken)	Repayment of Loans/ advances taken	Loans/ advances given	(Receipt) of Loans/ advances given	Contribution to employees provident fund trust
Mr. Vijay Singh Bapna	-	-	-	-	-	-	-	-	4	-	-	-	-	-
31st March, 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31st March, 2020	-	-	-	-	86	-	-	-	-	-	-	-	-	-
Mr. Anirban Sanyal ##	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31st March, 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31st March, 2020	-	-	-	-	45	-	-	-	-	-	-	-	-	-
31st March, 2019	-	-	-	-	165	-	-	-	-	-	-	-	-	-
31st March, 2020	-	-	-	-	56	-	-	-	-	-	-	-	-	-
Ms. Shampa Ghosh Ray	-	-	-	-	34	-	-	-	-	-	-	-	-	-
31st March, 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31st March, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Basant Kumar Jhavar	-	-	-	-	-	-	-	-	3	-	-	-	-	-
31st March, 2019	-	-	-	-	-	-	-	-	1	-	-	-	-	-
31st March, 2020	-	-	-	-	-	-	-	-	3	-	-	-	-	-
Mr. Prashant Jhavar	-	-	-	-	-	-	-	-	5	-	-	-	-	-
31st March, 2019	-	-	-	-	-	-	-	-	10	-	-	-	-	-
31st March, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Jitender Balakrishnan	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31st March, 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31st March, 2020	-	-	-	-	-	-	-	-	13	-	-	-	-	-
Mr. G.N.Bajpai	-	-	-	-	-	-	-	-	5	-	-	-	-	-
31st March, 2019	-	-	-	-	-	-	-	-	9	-	-	-	-	-
31st March, 2020	-	-	-	-	-	-	-	-	4	-	-	-	-	-
Mr. Saliil Singhal	-	-	-	-	-	-	-	-	8	-	-	-	-	-
31st March, 2019	-	-	-	-	-	-	-	-	4	-	-	-	-	-
31st March, 2020	-	-	-	-	-	-	-	-	4	-	-	-	-	-
Mr. P.S. Bhattacharya	-	-	-	-	-	-	-	-	7	-	-	-	-	-
31st March, 2019	-	-	-	-	-	-	-	-	5	-	-	-	-	-
31st March, 2020	-	-	-	-	-	-	-	-	6	-	-	-	-	-
Mr. V. Ramakrishna Iyer	-	-	-	-	-	-	-	-	38	-	-	-	-	-
31st March, 2019	-	-	-	-	476	-	-	-	64	-	-	-	-	-
31st March, 2020	-	-	-	-	516	-	-	-	-	-	-	-	-	-
Mr. V. Ramakrishna Iyer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31st March, 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31st March, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Mukesh Rambhadr Rohatgi	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31st March, 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31st March, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ms. A. Ramakrishnan	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31st March, 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31st March, 2020	-	-	-	-	476	-	-	-	38	-	-	-	-	-
31st March, 2019	-	-	-	-	516	-	-	-	64	-	-	-	-	-
31st March, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	31,388	9	160	(41)	476	14	228	104	38	-	5,548	620	(70)	506
	43,648	95	513	1	516	61	(55)	(95)	64	(10,900)	5,502	-	(1,000)	320
Others														
Usha Martin Employees Provident Fund Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	356
31st March, 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	320
31st March, 2020	31,388	9	160	(41)	476	14	228	104	38	-	5,548	620	(70)	506
31st March, 2019	43,648	95	513	1	516	61	(55)	(95)	64	(10,900)	5,502	-	(1,000)	320

32 (ii) Remuneration to key management personnel:

Particulars	Mr. Rajeev Jhavar			Mr. P. K. Jain			Mr. Anirban Sanyal			Mr. Rohit Nanda			Ms. Shampa Ghosh Ray		
	Period	31st March, 2020	31st March, 2019	Period	31st March, 2020	31st March, 2019	Period	31st March, 2020	31st March, 2019	Period	31st March, 2020	31st March, 2019	Period	31st March, 2020	31st March, 2019
Salary, bonus and perquisites		130	139		140	151		82			45	162		54	32
Contribution to provident and other funds		19	19		19	8		4			-	-		2	2
		149	158		159	159		86			45	162		56	34

Notes to the standalone financial statements as at and for the year ended 31st March, 2020

(All amounts in Rs. lakhs)

Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel. As the future liability for gratuity and leave is provided on an actuarial basis for the Company as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above.

Amount in the capacity of key managerial personnel disclosed.

* Amount is below the rounding off norm adopted by the Company.

32. Related party disclosures										
(iii) Balance outstanding at the year end 31st March, 2020										
Name and relationship	Period	Balance outstanding at the year end								
		Corporate / other guarantees given	Trade receivables	Trade payables/ other financial liabilities / other current liabilities	Borrowings (current)	Loans given (long-term / short-term) / advances given (other financial assets)	Accrued interest on loan to subsidiaries (other financial assets)	Investments in equity shares	Company's contribution to related party trust	
Substantial interest in voting power of the Company										
UMISSL	31st March, 2020	-	-	-	-	-	-	-	*	-
	31st March, 2019	-	-	-	-	-	-	-	*	-
Total	31st March, 2020	-	-	-	-	-	-	-	*	-
	31st March, 2019	-	-	-	-	-	-	-	*	-
Subsidiary companies										
UMIL	31st March, 2020	-	-	65	-	16	-	6,181	-	-
	31st March, 2019	-	-	190	-	145	-	6,181	-	-
UMAI	31st March, 2020	-	940	12	-	88	-	1,660	-	-
	31st March, 2019	1,556	816	11	-	73	-	1,660	-	-
UMUK	31st March, 2020	-	1,370	10	-	-	-	-	-	-
	31st March, 2019	-	1,122	115	-	-	-	-	-	-
UMVCL	31st March, 2020	-	404	-	-	-	-	-	-	-
	31st March, 2019	-	258	-	-	-	-	-	-	-
UMAUS	31st March, 2020	-	374	-	-	-	-	-	-	-
	31st March, 2019	-	234	-	-	-	-	-	-	-
UMPRL	31st March, 2020	-	-	-	-	-	-	4	-	-
	31st March, 2019	-	-	-	-	2	-	4	-	-
BMPL	31st March, 2020	-	-	36	-	-	-	-	-	-
	31st March, 2019	-	-	-	-	2	-	-	-	-
USSIL	31st March, 2020	1,938	253	128	-	1,757	37	2,620	-	-
	31st March, 2019	2,987	129	83	-	1,537	-	2,620	-	-
UMSPL	31st March, 2020	-	3,920	-	-	98	-	268	-	-
	31st March, 2019	-	2,411	-	-	62	-	268	-	-
BWWR	31st March, 2020	2,314	2,230	73	-	7	-	1,777	-	-
	31st March, 2019	2,219	2,138	89	-	10	-	1,777	-	-
UMCL	31st March, 2020	-	6	-	-	628	14	1,271	-	-
	31st March, 2019	-	-	234	5,398	52	-	1,271	-	-
GWSCS	31st March, 2020	-	461	103	-	-	-	168	-	-
	31st March, 2019	-	144	236	150	-	-	168	-	-
Total	31st March, 2020	4,252	9,958	427	-	2,594	51	13,949	-	-
	31st March, 2019	6,762	7,252	958	5,548	1,883	-	13,949	-	-
Joint ventures										
PUMWPL	31st March, 2020	2,986	58	-	-	-	-	1,080	-	-
	31st March, 2019	3,659	64	-	-	-	-	1,080	-	-
CCLUMSSL	31st March, 2020	-	-	-	-	-	-	31	-	-
	31st March, 2019	-	-	-	-	-	-	31	-	-
Total	31st March, 2020	2,986	58	-	-	-	-	1,111	-	-
	31st March, 2019	3,659	64	-	-	-	-	1,111	-	-

(iii) Balance outstanding at the year end 31st March, 2020									
Name and relationship	Period	Balance outstanding at the year end							
		Corporate / other guarantees given	Trade receivables	Trade payables/ other financial liabilities / other current liabilities	Borrowings (current)	Loans given (long-term / short-term) / advances given (other financial assets)	Accrued interest on loan to subsidiaries (other financial assets)	Investments in equity shares	Company's contribution to related party trust
Key managerial personnel									
Mr. Rajeev Jhavar	31st March, 2020	29,075	-	-	-	-	-	-	-
	31st March, 2019	1,99,594	-	2	-	-	-	-	-
Mr. P. K. Jain	31st March, 2020	-	-	-	-	-	-	-	-
	31st March, 2019	-	-	9	-	-	-	-	-
Mr. Rohit Nanda	31st March, 2020	-	-	-	-	-	-	-	-
	31st March, 2019	-	-	14	-	-	-	-	-
Ms. Shampa Ghosh Ray	31st March, 2020	-	-	-	-	-	-	-	-
	31st March, 2019	-	-	2	-	-	-	-	-
Total	31st March, 2020	29,075	-	-	-	-	-	-	-
	31st March, 2019	1,99,594	-	27	-	-	-	-	-
Others									
Usha Martin Employees Provident Fund Trust	31st March, 2020	-	-	-	-	-	-	-	118
	31st March, 2019	-	-	-	-	-	-	-	228
Grand Total	31st March, 2020	36,313	10,016	427	-	2,594	51	15,060	118
	31st March, 2019	2,10,016	7,316	985	5,548	1,883	-	15,060	228
* Amount is below the rounding off norm adopted by the Company.									
Terms and conditions of transactions with related parties									
The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. For the year ended 31st March, 2020 and 31st March, 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.									
The Company routinely enters into transactions with these related parties in the ordinary course of business at market rates and terms.									

33. Segment information

Based on evaluation of the Company's business performance by the Chief operating decision maker, the Company's businesses are organised in the following reportable segments :

- The wire and wire ropes segment which manufactures and sells steel wires, strands, wire ropes, cord, related accessories, etc.
- Discontinued operations mentioned below represents steel segment which used to manufacture and sell steel wire rods, bars, blooms, bright bar, billets, pig iron and allied products. Segment assets and liabilities of discontinued business has been arrived as per Business Transfer Agreement.
- Others include manufacturing and selling of wire drawing and allied machines and corporate office.
The Company's financing (including finance costs and finance income) and income taxes are managed on a Company level and are not allocated to operating segments.

The Managing Director, Joint Managing Director and Chief Operating Officer are the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

Transfer prices between operating segments are on an arm's length basis. Inter-segment revenues are eliminated and reflected in the 'adjustments and eliminations' column.

The following table presents revenue and profit information and certain asset information regarding the Company's business segments as at and for the year ended 31st March, 2020 and 31st March, 2019.

I. Business segment analysis

Particulars	Business segments				
	Discontinued operations [Refer Note 35(ii)]	Wire and wire ropes (continuing operations)	Others (continuing operations)	Adjustments and eliminations	Total
Segment revenue					
External revenue	4,217	1,39,092	170	-	1,43,479
	2,97,752	1,70,505	298	-	4,68,555
Inter-segment revenue	2,306	-	-	(2,306)	-
	96,448	-	-	(96,448)	-
Total revenue from operations	6,523	1,39,092	170	(2,306)	1,43,479
	3,94,200	1,70,505	298	(96,448)	4,68,555
Segment results	50,148#	19,959	(431)	(10,061)	59,615
	15,047	25,115	128	(57,858)	(17,568)
Depreciation and amortisation	572	2,620	157	-	3,349
	23,832	2,648	74	88	26,642
Total assets	-	1,04,856	42,167	-	1,47,023
	4,28,796	1,07,452	65,023	-	6,01,271
Total liabilities	-	31,918	53,565	-	85,483
	1,96,690	26,878	3,54,610	-	5,78,178
# Includes Rs. 55,652 lakhs profit on sale of discontinued operations					
Reconciliations to amounts reflected in the financial statements					
Reconciliation of profit /(loss)					
Segment profit	50,148	19,959	(431)	-	69,676
	15,047	25,115	128	-	40,290
Less : Finance costs					7,811
					58,037
Less : Other unallocable expenditure (net of unallocable income)					2,250
					(179)
Profit / (loss) before tax					59,615
					(17,568)
Reconciliation of assets					
Segment assets	-	1,04,856	42,167		1,47,023
	4,28,796	1,07,452	65,023		6,01,271
Total Assets					1,47,023
					6,01,271

Particulars	Business segments				Total
	Discontinued operations	Wire and wire ropes (continuing operations)	Others (continuing operations)	Adjustments and eliminations	
Reconciliation of liabilities					
Segment liabilities	-	31,918	53,565		85,483
	1,96,690	26,878	3,54,610		5,78,178
Total liabilities					85,483
					5,78,178

Note: Figures in bold relate to 31st March 2020 and normal type relate to 31st March 2019

II. Geographical segment analysis

The revenue information below is based on the locations of the customers. The following table provides an analysis of Company's sales by region in which the customer is located, irrespective of the origin of the goods.

Revenue by geographical segment	Year ended 31 March 2020	Year ended 31 March 2019
India	1,00,091	1,29,589
Outside India	39,171	41,214
Total revenue from operations as per statement of profit and loss	1,39,262	1,70,803

Details of non-current assets (property, plant and equipment, capital work-in-progress, other intangible assets and right-of-use assets) based on geographical area is as below:

	As at 31st March, 2020	As at 31st March, 2019
India	43,529	42,275

Segment capital expenditure

	Year ended 31 March 2020	Year ended 31 March 2019
India	3,028	648

34 A. Fair value hierarchy

The following table provides the fair value hierarchy of the Company's assets and liabilities:

a) Financial instruments by category	As at 31st March, 2020				As at 31st March, 2019			
	Fair value through profit and loss	Amortised cost	Total carrying value	Total fair value	Fair value through profit and loss	Amortised cost	Total carrying value	Total fair value
Financial assets								
Investments	5	15,060	15,065	15,065	5	15,060	15,065	15,065
Trade receivables	-	18,197	18,197	18,197	-	21,705	21,705	21,705
Cash and cash equivalents	-	477	477	477	-	620	620	620
Other bank balances	-	246	246	246	-	2,766	2,766	2,766
Loans	-	1,848	1,848	1,848	-	1,232	1,232	1,232
Other financial assets including derivatives	-	20,900	20,900	20,900	82	14,011	14,093	14,093
Total financial assets	5	56,728	56,733	56,733	87	55,394	55,481	55,481
Financial liabilities								
Borrowings (including current maturities)	-	34,886	34,886	34,886	-	3,31,780	3,31,780	3,31,780
Lease liabilities	-	29	29	29	-	-	-	-
Trade payables	-	26,602	26,602	26,602	-	21,835	21,835	21,835
Derivatives	397	-	397	397	-	-	-	-
Other financial liabilities	-	6,588	6,588	6,588	-	13,395	13,395	13,395
Total financial liabilities	397	68,105	68,502	68,502	-	3,67,010	3,67,010	3,67,010

The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. The model incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. As at 31 March 2020, the mark-to-market value of other derivative assets / liabilities positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing

parties, other than in a forced or liquidation sale.

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value through profit and loss. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard.

(b) Quantitative disclosures of fair value measurement hierarchy for assets and liabilities				
Financial assets and liabilities measured at fair value as at 31st March, 2020				
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments	-	-	5	5
Financial liabilities				
Derivative financial liabilities	-	397	-	397
Financial assets and liabilities measured at fair value as at 31st March, 2019				
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments	-	-	5	5
Derivative financial assets	-	82	-	82

Notes :

The Company uses the following hierarchy for determining and /or disclosing the fair value of financial instruments by valuation techniques :

Level 1 hierarchy includes financial instruments measured using quoted prices in active markets for identical assets or liabilities.

Level 2 hierarchy includes the fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) and the fair value is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

34 B. Financial risk management objectives and policies

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management and governance framework. The board of directors has established the Risk Management Committee (RMC) which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and control and monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company's activities expose it to market risk, liquidity risk and credit risk which are measured, monitored and managed to abide by the principles of risk management.

(a) Credit risk

Credit risk refers to the risk of financial loss that may arise from counterparty failure on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

The Company controls its own exposure to credit risk. All external customers undergo a creditworthiness check. The Company performs an on-going assessment and monitoring of the financial position and the risk of default. Based on the aforesaid checks, monitoring and historical data, the Company does not perceive any significant credit risk on trade receivables. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions.

In addition, as part of its cash management and credit risk function, the Company regularly evaluates the creditworthiness of financial and banking institutions where it deposits cash and performs trade finance operations. The Company primarily has banking relationships with the public sector, private and large international banks with good credit rating.

The Company's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding trade receivables as at 31st March, 2020 and 31st March, 2019 respectively.

The maximum exposure to the credit risk at the reporting date is the carrying value of all financial assets amounting to Rs. 56,733 lakhs (31st March, 2019 : Rs. 55,481 lakhs) as disclosed in note 34A(a).

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Company does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment. The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. Movement in the allowance for credit impaired trade receivables is given in Note 9 (i).

Of the year end trade receivables, the following were past due but not impaired as at 31st March, 2020 and 31st March, 2019:

Particulars	As at March 31st, 2020	As at March 31st, 2019
Neither impaired nor past due	11,302	17,286
Past due but not impaired		
Due less than one month	3,631	2,790
Due between one - three months	2,733	688
Due between three - twelve months	323	921
Due greater than twelve months	208	20
Total	18,197	21,705

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Concentrations arise when a number of counterparties are engaged in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

(b) Liquidity risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on the due date. The Company has liquidity risk monitoring processes covering short-term, mid-term and long-term funding. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of committed credit facilities and loan funds. Management regularly monitors projected and actual cash flow data, analyses the repayment schedules of the existing financial assets and liabilities and performs annual detailed budgeting procedures coupled with rolling cash flow forecasts. The contractual maturities of the Company's financial liabilities are presented below:-

31st March, 2020	Contractual cash flows				
	Less than 1 year	1-3 years	3-8 years	Above 8 years	Total
Non-derivative financial liabilities					
Borrowings (including current maturities) *	9,813	12,082	12,991	-	34,886
Trade payables	26,602	-	-	-	26,602
Other financial liabilities	6,588	-	-	-	6,588
Lease liabilities	29	-	-	-	29
Derivative financial liabilities	397	-	-	-	397
Total	43,429	12,082	12,991	-	68,502
31st March, 2019	Contractual cash flows				
	Less than 1 year	1-3 years	3-8 years	Above 8 years	Total
Non-derivative financial liabilities					
Borrowings (including current maturities) *	1,04,807	77,020	1,39,457	10,496	3,31,780
Trade payables	21,835	-	-	-	21,835
Other financial liabilities	13,395	-	-	-	13,395
Total	1,40,037	77,020	1,39,457	10,496	3,67,010

* Includes non-current borrowings, current borrowings and current maturities of non-current borrowings.

The amount of guarantees given on behalf of subsidiaries included in note 30B (iii) represents the maximum amount the Company could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting period, the Company considers that it is more likely that such an amount will not be payable under the arrangement.

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to different types of market risks. The market risk is the possibility that changes in foreign currency exchange rates, interest rates and commodity prices may affect the value of the Company's financial assets, liabilities or expected future cash flows.

The fair value information presented below is based on the information available with the management as of the reporting date.

(c.1) Foreign currency exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee. A reasonably possible strengthening/weakening of the Indian Rupee against such foreign currency (converted to US Dollars) as at 31st March, 2020 and 31st March, 2019 would have affected profit and loss by the amounts shown below. This analysis assumes that all other variables remain constant and ignores any impact of forecasted sales and purchases.

	Changes in USD rate	Unhedged foreign currency receivables / (payables) (net)	Effect on profit / (loss) before tax	Impact on Equity
31st March, 2020	10%	12,304	1,230	1,230
	-10%	-	(1,230)	(1,230)
31st March, 2019	10%	7,953	795	795
	-10%	-	(795)	(795)

Derivative financial instruments

The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining maturity period.

Less than 1 year	As at 31st March, 2020	As at 31st March, 2019
Forward contract to cover both present and future foreign currency exposures :		
Export receivables	11,029	2,581

(c.2) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The exposure of the Company's financial assets and financial liabilities as at 31st March, 2020 and 31st March, 2019 to interest rate risk is as follows :

Financial Assets	Total	Floating rate financial assets	Fixed rate financial assets	Non-interest bearing financial assets
31st March, 2020	56,733	-	3,966	52,767
31st March, 2019	55,481	-	4,726	50,755
Financial liabilities	Total	Floating rate financial liabilities	Fixed rate financial liabilities	Non-interest bearing financial liabilities
31st March, 2020	68,502	44,278	222	24,002
31st March, 2019	3,67,010	3,29,192	8,301	29,517

If the interest rates applicable to floating rate instruments is increased/decreased by 1%, the profit before tax for the year ended 31st March, 2020 (and corresponding impact on equity) would decrease/(increase) by Rs 443 lakhs (31st March, 2019 : Rs 3,292 lakhs) on an annualised basis. This assumes that the amount and mix of fixed and floating rate debt remains unchanged during the year from that in place as at year end.

(c.3) Commodity price risk

The Company's revenue is exposed to the risk of price fluctuations related to the sale of its wire & wire products. Market forces generally determine prices for such products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of wire & wire products.

The Company primarily purchases its raw materials in the open active market from third parties. The Company is therefore subject to fluctuations in prices of wire rods, zinc, lead, lubricants, core and other raw material inputs. The Company purchased substantially all of coal requirements from third parties in the open market during the year ended 31st March, 2020 and 31st March, 2019 respectively .

The Company does not have any commodity forward contract for commodity hedging.

The following table details the Company's sensitivity to a 5% movement in the input price of wire rod and zinc. The sensitivity analysis includes only 5% change in commodity prices for quantity sold or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commodity prices decrease by 5%. For a 5% increase in commodity prices, there would be a comparable impact on profit or equity, and the balances below are negative.

Impact for a 5% change on the Statement of Profit and Loss and equity		
Particulars	Increase	Decrease
March 31st, 2020		
Wire rod	(3,077)	3,077
Zinc	(179)	179
March 31st, 2019		
Wire rod	(3,875)	3,875
Zinc	(176)	176

34C. Derivative Financial Instruments

The Company uses derivative instruments as part of its management of exposure to fluctuations in foreign currency exchange rates. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. The Company does not enter into complex derivative transactions to manage the treasury risks. Treasury derivative transactions are normally in the form of forward contracts and these are subject to the Company guidelines and policies. The fair values of all derivatives are separately recorded in the balance sheet within current and non-current assets and liabilities. The use of derivatives can give rise to credit and market risk. The Company tries to control credit risk as far as possible by only entering into contracts with reputable banks and financial institutions. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

34 D. Capital management

For the purpose of the Company's capital management, capital includes equity share capital and other equity. The Company's primary capital management objectives are to optimize the cost of capital in order to enhance value to shareholders.

The Company manages its capital structure and makes adjustments to it as and when required. To maintain or adjust the capital structure, the Company may pay dividend or repay debts, raise new debt or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. No major changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2020 and 31st March, 2019 respectively. The Company includes within net debt, total borrowings less total cash as follows:

The following table summarises the capital of the Company:-

Particulars	As at 31 March 2020	As at 31 March 2019
Cash and cash equivalents [refer note 9 (ii)]	477	620
Other bank balances [refer note 9 (iii)]	246	2,766
Total cash (a)	723	3,386
Non - current borrowings [refer note 13]	25,073	2,26,973
Current borrowings [refer note 16 (i)]	6,576	66,256
Current maturities of long-term borrowings [refer note 16 (iii)]	3,237	38,551
Total borrowings (b)	34,886	3,31,780
Net debt (c = b-a)	34,163	3,28,394
Total equity	61,540	23,093
Total capital (equity + net debt) (d)	95,703	3,51,487
Gearing ratio (c/d)	36%	93%

- 35 (i) (a)** The Company was allocated two coal blocks namely, Kathautia Coal Block and Lohari Coal Block in the State of Jharkhand for captive use. Pursuant to the Supreme Court order dated 24th September, 2014 followed by promulgation of the Coal Mines (Special Provisions) Act, 2015, (CMSP Act), the allocation of all coal blocks since 1993, including the aforesaid coal blocks allocated to the Company was cancelled with effect from 24th September, 2014 in case of Lohari Coal Block and 1st April, 2015 in the case of Kathautia Coal Block.

Through the process of public auction as envisaged in the CMSP Act, the aforesaid Coal Blocks of the Company had been allocated to other successful bidders by the Central Government. Pursuant to conclusion of such auction, the Central Government had also issued vesting orders for Kathautia and Lohari Coal Blocks for transfer and vesting the Company's rights, title and interest in and over the land and mine infrastructure of the said coal blocks to the respective successful bidders.

At the year-end, the Company is carrying an aggregate amount of Rs. 1,358 lakhs (net of Rs. 10,305 lakhs recovered during the year and provision/impairment charge of Rs. 3,660 lakhs including Rs. 2,597 lakhs for the year) as Assets held for sale/ Advance against land, which consists of assets in the form of land, movable and immovable properties, advances etc. as follows:

	As at 31st March, 2020	As at 31st March, 2019
Assets held for sale #	1,131	1,405
Advances against land-coal mines under other non-current financial assets [refer note 5 (iii)]	-	1,485
Advances against land-coal mines under other non-current assets (refer note 7) ##	-	2,851
Advances against land-coal mines under current- other financial assets [refer note 9 (v)] ###	227	8,458
Total	1,358	14,199

Net of impairment Rs. 809 lakhs (31st March, 2019 : Rs. 537 lakhs)

Net of impairment Rs. 2,851 lakhs (31st March, 2019 : Nil)

Net of discounting Nil (31st March, 2019 : Rs 526 lakhs)

During the year ended March 31, 2020, the Company has recovered Rs. 10,305 lakhs out of Rs. 10,532 lakhs where the Company had filed an application before Hon'ble Delhi High court in an earlier year and based on developments in the current year, the Company is confident of recovery of balance Rs 227 lakhs within the next financial year. Further, the Company is also engaged in ongoing negotiations with the party to whom the aforesaid Coal Blocks were subsequently allotted for realization of compensation/investments in the mines. After taking into consideration the reasons as stated above, management is of the opinion that the realizable value of aforesaid assets will not be less than their carrying values.

35 (i) (b). As at March 31, 2019, the Company had earmarked for disposal certain assets of its Bright Bar plant at Chennai and accordingly the written down value of such assets amounting to Rs.1,202 lakhs has been disclosed as "Assets held for sale" as at March 31, 2019. The management is evaluating to set up additional facilities at its Bright Bar plant at Chennai and pending such evaluation, management is currently not pursuing any disposal offers, hence the assets has been reclassified under Property, plant and equipment as at March 31, 2020.

35 (i) (c). As at March 31, 2020, the Company had earmarked disposal of Property, plant and equipment of its Wire mill facility at Jamshedpur and accordingly the written down value of such assets amounting to Rs. 286 lakhs has been disclosed as "Assets held for sale" as at March 31, 2020.

35 (ii). Discontinued operations

The Board of Directors and shareholders of the Company at their meeting held on September 22, 2018 and November 10, 2018 respectively, approved the sale and transfer of the Company's Steel Business and plant and machinery of the Bright Bar Business ("SBB Business") to Tata Steel Limited or its subsidiaries ("TSL") on a going concern basis under a slump sale arrangement. The SBB business comprised of a specialised steel manufacturing plant, an operative iron ore mine, a coal mine under development, captive power plants and plant and machinery of Bright Bar Business. Accordingly, a Business Transfer Agreement ('BTA') was executed on September 22, 2018 between the Company and TSL. Subsequently, on October 24, 2018, the Company has entered into a novation agreement with TSL and Tata Steel Long Products Limited (TSLPL) (formerly known as Tata Sponge Iron Limited (the 'Purchaser'), a subsidiary of TSL whereby all rights and obligations of TSL under the terms of the BTA was assumed by the Purchaser.

On April 7, 2019 and July 3, 2019, the Company further entered into a supplemental agreement ('Supplemental BTA') with the Purchaser to record the amendment and substitution of certain provisions of the BTA. The transfer of SBB Business to the Purchaser was subject to the satisfaction of conditions precedent as stipulated in the BTA and Supplemental BTA and receipt of applicable permissions and consents from concerned regulators / authorities.

Assets and liabilities of SBB business covered by the BTA were disclosed as held for sale in the Balance Sheet as at March 31, 2019 as "Assets of discontinued operations classified as held for sale" and "Liabilities of discontinued operations classified as held for sale" respectively. In terms of the BTA, certain assets pertaining to SBB Business which are pass through in nature, would be paid back to the Company as and when received by the Purchaser, hence shown as part of the continuing business.

Pursuant to the Business Transfer Agreement dated September 22, 2018, Novation agreement on October 24, 2018 and Supplemental Business Transfer Agreement dated April 7, 2019 and July 3, 2019 respectively with TSLPL as stated above, the Company has transferred its SBB Business as a going concern on slump sale basis during the year ended March 31, 2020 in accordance with the terms and conditions set out in those agreements at a consideration of Rs. 452,500 lakhs subject to net working capital adjustments. Out of the aforesaid consideration, an amount of Rs. 16,000 lakhs is receivable as at the year-end which includes Rs. 15,000 lakhs in respect of certain parcels of land for which perpetual lease and license agreements have been executed by the Company in favour of TSLPL pending completion of ongoing formalities for registration in the name of TSLPL. The Company and TSLPL are in the process of final settlement, commercial negotiation and reconciliation of net working capital and therefore impact of adjustment, if any, arising from such final settlement/reconciliation which is not expected to be material shall be done on conclusion thereof and adjusted against balance consideration pending.

Resultant profit of Rs. 55,652 lakhs (net of expenses/costs aggregating Rs. 17,103 lakhs incurred for the purpose of transfer) on transfer of the SBB Business has been recognised under discontinued operations as profit from disposal of discontinued operations in these financial statements in terms of Ind AS 105 : Non-current assets held for sale and discontinued operations.

The impact of the transaction in the standalone financial statements is as follows:

Particulars	Year ended 31st March, 2020
Consideration from TSLPL (net of acceptances Rs. 98,013 lakhs paid by TSLPL directly) [A]	3,08,286
Book value of fixed assets sold [B]	3,71,461
Net book value of non-current liabilities (net of other non-current assets) transferred [C]	1,534
Net book value of current liabilities (net of current assets) transferred [D]	1,34,396
Expenses pertaining to the disposal of the business [E]	17,103
Profit on disposal of SBB Business (discontinued operation) [F]=[A-B+C+D-E]	55,652

(I) The results of SBB for the year are presented below :

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Income		
Revenue from operations	6,523	3,94,200
Other income	2,250	6,711
Total income	8,773	4,00,911
Expenses		
Cost of materials consumed	2,135	1,93,863
(Increase) / decrease in inventories of finished goods, work-in-progress and scrap/by-product	2,890	23,283
Employee benefits expense	786	15,495
Finance costs	2,004	49,015
Depreciation and amortisation expense	572	23,832
Other expenses	7,894	1,29,391
Total expenses	16,281	4,34,879
Profit/(loss) for the year from discontinued operations before profit on disposal of SBB Business	(7,508)	(33,968)
Profit on disposal of SBB Business (discontinued operations)	55,652	-
Profit / (loss) for the year before tax from discontinued operations	48,144	(33,968)
Tax expenses of discontinued operations	-	-
Profit / (loss) for the year from discontinued operations	48,144	(33,968)

(II) Major classes of assets and liabilities of SBB business classified as held for sale as at 31st March, 2019 were as follows:

Particulars	As at 31st March, 2019
Assets	
Non-current assets	
(a) Property, plant and equipment	3,67,743
(b) Capital work-in-progress	2,487
(c) Intangible assets	1,805
(d) Financial assets	
Other financial assets	676
(e) Other non-current assets	2,852
Total non-current assets	3,75,563
Current assets	
(a) Inventories	30,761
(b) Financial assets	
(i) Trade receivables	21,504
(ii) Cash and cash equivalents	209
(iii) Loans	4
(c) Other current assets	755
Total current assets	53,233
Total assets classified as held for sale	4,28,796
Liabilities	
Non-current liabilities	
(a) Provisions	2,192
(b) Government grants	2,820
Total non-current liabilities	5,012

Particulars	As at 31st March, 2019
Current liabilities	
(a) Financial liabilities	
(i) Borrowings	11,595
(ii) Trade payables	
(A) Total outstanding dues of micro and small enterprises	2,048
(B) Total outstanding dues of creditors other than micro and small enterprises	1,49,322
(iii) Other financial liabilities	6,638
(b) Provisions	1,683
(c) Government grants	110
(d) Other current liabilities	20,282
Total current liabilities	1,91,678
Total liabilities classified as held for sale	1,96,690
Net assets of SBB business	2,32,106

(III) Net cash flows attributable to SBB business are as follows:

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Net cash flow (used in) / from operating activities	(209)	83,253
Net cash flow used in investing activities	-	(3,122)
Net cash flow used in financing activities	-	(79,933)
Net cash (used in)/ generated from discontinued operations	(209)	198

For disclosure on earnings per share from discontinued operation, refer note 28.

36A. Disclosures pursuant to the Regulation 34(3) read with para A of Schedule V to SEBI Listing Regulations, 2015**I. Loans and advances in the nature of loans to subsidiaries**

	As at 31st March, 2020	As at 31st March, 2019
Loans to subsidiaries :		
(a) Usha Siam Steel Industries Public Company Limited		
Balance as at the year end *	1,153	1,090
Maximum amount outstanding at any time during the year	1,199	1,120
(b) UM Cables Limited		
Balance as at the year end	550	-
Maximum amount outstanding at any time during the year	550	1,000

The aforesaid loanees have not made any investments in the shares of the Company.

All the above loans and advances have been given for business purposes.

Loan amount above does not include interest receivable.

* No repayment schedule, fall under the category of non-current and are re-payable after more than 1 year

II. As per the Company's policy, loan to employees are not considered in (I) above.

36B. Details of loans given, investments made and guarantee given covered under section 186 (4) of the Companies Act, 2013

Loans given and investments made are given under the respective heads.

Corporate guarantees given by the Company in respect of loans are stated in note 32(iii). All the said corporate guarantees have been given for business purpose.

Notes to the standalone financial statements as at and for the year ended 31st March, 2020

(All amounts in Rs. lakhs)

37. Details of dues to micro and small enterprises as defined under Micro, Small and Medium Enterprise Development Act, 2006 (MSMED)

	As at 31 March 2020	As at 31 March 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
i) Principal amount due to micro and small enterprise	302	7
ii) Interest due on above	2	4
iii) The amount of interest paid by the buyer 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 each accounting year	Nil	Nil
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	1	Nil
v) The amount of interest accrued and remaining unpaid at the end of each accounting year	5	4
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	Nil	Nil

The above particulars, as applicable, have been given in respect of MSMEs to the extent they could be identified on the basis of information available with the Company.

38. Group information

The Company has following subsidiaries and joint ventures for which the Company prepares Consolidated Financial Statements as per Ind AS 110: Consolidated Financial Statements.

	Principal place of business	% of equity interest as on 31st March, 2020	% of equity interest as on 31st March, 2019
Information about subsidiaries			
Domestic:			
U M Cables Limited	India	100%	100%
Usha Martin Power and Resources Limited	India	100%	100%
Bharat Minex Private Limited	India	100%	100%
Gustav Wolf Speciality Cords Limited	India	100%	100%
Overseas:			
Usha Martin International Limited	United Kingdom	100%	100%
Usha Martin UK Limited @	United Kingdom	100%	100%
European Management and Marine Corporation Limited @	United Kingdom	100%	100%
Brunton Shaw UK Limited @	United Kingdom	100%	100%
De Ruiter Staalkabel B.V. @	Netherlands	100%	100%
Usha Martin Europe B.V. @	Netherlands	100%	100%
Usha Martin Italia S.R.L. @	Italy	100%	100%
Brunton Wolf Wire Ropes FZCo.	United Arab Emirates, Dubai	60%	60%
Usha Martin Americas Inc.	United States of America	100%	100%
Usha Siam Steel Industries Public Company Limited	Thailand	98%	98%
Usha Martin Singapore Pte. Limited	Singapore	100%	100%
Usha Martin Australia Pty Limited @	Australia	100%	100%
Usha Martin Vietnam Company Limited @	Vietnam	100%	100%
PT Usha Martin Indonesia @	Indonesia	100%	100%
Usha Martin China Company Limited @	China	100%	100%
Information about joint ventures			
Pengg Usha Martin Wires Private Limited	India	40%	40%
CCL Usha Martin Stressing Systems Limited	India	50%	50%
Tesac Usha Wire rope Company Limited*	Thailand	50%	50%

@ Represents step-down subsidiary

* Represents step-down joint ventures

39. The Directorate of Enforcement, Patna ("ED") had issued an order dated August 9, 2019 under the provisions of Prevention of Money Laundering Act, 2002 (PMLA) to provisionally attach certain parcels of land at Ranchi used by the Company's wire rope business in the State of Jharkhand for a period of 180 days in connection with export and domestic sale of iron ore fines in prior years aggregating Rs. 19,037 lakhs allegedly in contravention of terms of the lease granted to the Company for the iron ore mines situated at Ghatkuri, Jharkhand. The Hon'ble High Court of Jharkhand at Ranchi had, vide order dated February 14, 2012, held that the Company had the right to sell the iron ore including fines as per the terms of the mining lease which was in place at that point in time. The Company had paid applicable royalty and had made necessary disclosures in its returns and reports submitted to mining authorities. The Company had submitted its reply before the Adjudicating Authority (AA). Subsequently, AA had issued an order confirming the aforesaid provisional order under Section 8(3) of PMLA. Thereafter, the Company filed an appeal before the Appellate Tribunal, New Delhi and successfully obtained a status quo order from the Tribunal on the confirmed attachment order till the next date of hearing, which is fixed as August, 20, 2020. The ongoing operations of the Company have not been affected by the order of provisional attachment. Supported by a legal opinion obtained, management believes that the Company has a strong case on merit.
40. a. The World Health Organisation (WHO) declared the outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 25, 2020 and the Company temporarily suspended operations in all its plants/offices in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lock down of production facilities etc. during the lock-down period. Production and supply of goods has commenced during the latter part of the month of April 2020 on various dates at all the manufacturing locations of the Company after obtaining permissions on various dates from the appropriate government authorities. Management has made an initial assessment, based on the current situation, of the likely impact of the lockdown on overall economic environment and wire and wire-ropes industry, in particular, based on which it expects the wire and wire-ropes demand to stabilise in due course. Based on projections of the Company's performance for a period of 12 months from end of the year, management does not anticipate any challenge in the Company's ability to continue as a going concern or meeting its financial obligations. The Company has additionally, on a prudent basis, assessed existence of any indication of impairment of carrying values of property, plant and equipment at the year-end in accordance with the requirements of Ind AS 36 – Impairment of Assets and also assessed realizability of year-end deferred tax assets. Based on such assessment, management is confident that no indications of impairment of carrying values of property, plant and equipment exist and the Company will earn sufficient taxable profits in future to be able to realise the deferred tax assets.
- b. The above evaluations are based on scenario analysis carried out by the management and internal and external information available upto the date of approval of these financial statements, which are subject to impact of uncertainties that COVID-19 outbreak may ultimately pose on economic recovery and consequential impact on the Company's financial statements.
41. Previous year's figures have been regrouped / rearranged wherever necessary, to conform to current year's presentation.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration number : 301003E/E300005

per Bhaswar Sarkar, Partner

Membership No. 055596

Place : Kolkata

Date : June 06, 2020

For and on behalf of Board of Directors of Usha Martin Limited

Rajeev Jhawar

Managing Director

DIN: 00086164

Dhrub Jyoti Basu

Whole Time Director

DIN: 02498037

Anirban Sanyal

Chief Financial Officer

Shampa Ghosh Ray

Company Secretary

ACS 16737

INDEPENDENT AUDITOR'S REPORT

To the Members of Usha Martin Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Usha Martin Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures comprising of the consolidated Balance sheet as at March 31 2020, the consolidated Statement of Profit and Loss including Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

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

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements 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 Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

- a) We draw attention to Note 43 regarding attachment of certain parcels of land at Ranchi used by the Holding Company's wire rope business under Prevention of Money Laundering Act, 2002 (PMLA) in connection with export and domestic sale of iron ore fines in prior years aggregating Rs. 19,037 lakhs allegedly in contravention of terms of the lease granted to the Holding Company for the iron ore mines. Pending final outcome of the appeal filed by the Holding Company before the Appellate Tribunal, PMLA, no adjustment to these consolidated Ind AS financial statements in this regard have been considered necessary by the management.

Our opinion is not modified in respect of this matter.

- b) We draw attention to Note 44 to the consolidated Ind AS financial statements, which describes the uncertainties and the impact of the COVID-19 pandemic on the Group's operations and results as assessed by management. The actual results may differ from such estimates depending on future developments.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Accounting for profit on disposal of Steel and Bright Bar (SBB) Business (discontinued operations) [as described in note 39(ii) of the consolidated Ind AS financial statements]	Our audit procedures included the following: - <ul style="list-style-type: none"> Obtained and reviewed the Business Transfer Agreement (BTA) September 22, 2018, novation agreement dated October 24, 2018 and Supplemental Business Transfer Agreement dated April 7, 2019 and July 3, 2019 to identify assets, liabilities, contingent liabilities (including net working capital adjustments) that were transferred in terms of those agreements. Reviewed that the profit is recognized in accordance with the terms and conditions set out in the agreements as referred above, net of expenses/cost incurred for the purpose of transfer of the business, when the control of the SBB business was transferred to TSIL.
In terms of agreement dated September 22, 2018, novation agreement dated October 24, 2018 and Supplemental Business Transfer Agreement dated April 7, 2019 and July 3, 2019, the Holding Company has transferred its Steel and Bright Bar Business to Tata Sponge Iron Limited (TSIL). Consequently, resultant profit of Rs. 55,652 lakhs (net of expenses cost aggregating of Rs. 17,103 lakhs) on sale of the SBB Business is recognised under profit for the period from discontinued operations in accordance with the relevant provision of Ind AS 105 "Non-current assets held for sale and discontinued operations". Considering the significance of the transaction, several judgements that affects timing and measurement of such profit and presentation in the statement of profit and loss, this has been identified as a key audit matter.	

Key audit matters	How our audit addressed the key audit matter		
	<ul style="list-style-type: none"> Reviewed disclosures pertaining to the profit on disposal of the SBB Business in these consolidated Ind AS financial statements as per requirement of Ind AS 105. Reviewed reconciling items of net working capital between the Company and TSLPL and assessed that impact of adjustment, if any, arising from such reconciliation is not expected to be material. 	<p>As at March 31, 2020, the Holding Company has recognized net deferred tax asset (DTA) of Rs. 4,293 lakhs in its consolidated Ind AS financial statements. The DTA relates mainly to unabsorbed depreciation and carried forward business losses.</p> <p>The valuation and recoverability of DTA depend on the taxable profits the Company expects to generate in future.</p> <p>As such, the valuation and future use of DTA imply significant judgments from the management. These judgments mainly relate to the forecasted taxable income, the length of tax loss available and feasible tax planning strategies.</p> <p>Therefore, considering its significance, as well as the fact that its recognition depends on the management estimates and various legal frameworks, the balance of DTA mainly arising from unabsorbed depreciation and tax losses carried forward is defined as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Assessed the controls supporting the Holding Company's process followed to book deferred tax assets arising from unabsorbed depreciation and carried forward business losses. Assessed the compliance of the methodology applied by the Holding Company with Ind AS 12: Income Taxes. In association with our tax specialists, our audit approach also consisted in assessing the future taxable profits used and thus the likelihood that Holding Company would be able to utilize deferred tax assets in the future. Assessed the underlying projections and assumptions, and their consistency with the latest management estimates as calculated and the reliability of the process by which the estimates were calculated, by assessing the reasons for differences between projected and actual performances. Assessed projections prepared by management considering impact of COVID-19 to assess realizability of year-end deferred tax assets.
Provisions and Contingencies [as described in note 2A a (n), 19 and 34B of the consolidated Ind AS financial statements]			
<p>The Holding Company has accrued liabilities of Rs. 3,132 lakhs as shown in Note 19 and disclosed in Note 34B contingent liabilities of Rs. 43,026 lakhs as at March 31, 2020.</p> <p>Claims and exposures relating to litigation have been identified as a key audit matter due to the complexities involved in these matters, timescales involved for resolution and the potential financial impact of these on the consolidated Ind AS financial statements. Further, significant management judgement is involved in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed.</p> <p>Accordingly, it has been considered as a key audit matter.</p>	<p>Our audit procedures included the following:-</p> <ul style="list-style-type: none"> Obtained listing of all disputes pending before various judicial or relevant tax/ regulatory authorities. Enquired and discussed the above listing with Head of Legal and Heads of relevant Functions to assess the completeness and management position with regard to the probability of unfavorable outcome of disputes and provision recognised towards matter under disputes. Engaged with our relevant in-house tax specialists for taxation matters under dispute to assess management's position of outcome of significant cases and provisions recognised. Reviewed opinions obtained by the management from relevant external legal experts to assess management's position of outcome of significant matters under dispute and provisions recognised. Assessed the relevant disclosures made within the consolidated Ind AS financial statements to address whether they reflect the facts and circumstances of the respective tax and legal exposures and the requirements of relevant accounting standards. Reviewed reconciling items of net working capital between the Company and TSLPL and assessed that impact of adjustment, if any, arising from such reconciliation is not expected to be material. 	<p>Revenue recognition [as described in note 2A a (d), and 24 of the consolidated Ind AS financial statements]</p> <p>For the year ended March 31, 2020, the Holding Company has recognized revenue from operations of Rs. 145,785 lakhs (including Rs. 6,523 lakhs in respect of discontinued operation).</p> <p>Revenue is measured taking into account discounts and rebates earned by the customers on the sales. The Holding Company also provides a right of return to its customers for certain products. These arrangements result in deductions to gross sales in arriving at turnover and give rise to obligations for the Holding Company to provide customers with rebates, discounts, allowances and the right of return, which for unsettled amounts are recognized as an accrual.</p> <p>The terms of sales arrangements, including the timing of transfer of control, the nature of discounts and rebate arrangements and delivery specifications, create complexity and judgement in determining timing and measurement of revenue. The risk is therefore, that revenue is not recognized in accordance with Ind AS 115 'Revenue from contracts with customers', and accordingly, it was determined to be a key audit matter.</p>	<p>Our audit procedures included the following: -</p> <ul style="list-style-type: none"> Obtained an understanding of the policies and procedures applied to revenue recognition including testing the design and operating effectiveness of controls related to revenue recognition processes employed by the Holding Company. Performed procedures by analyzing the cost of sales related to discounts, incentives, rebates and margins to total revenue recognized as compared with prior year. Assessed the relevant estimates made by the management in connection with discounts, incentives and rebates at year's end. Performed procedures for a sample of revenue transactions at year end to assess whether they were recognized at the correct period by corroborating the date of revenue recognition to third party support such as bills of lading, lorry receipt etc. Analyzed other adjustments and credit notes issued after the reporting date.
Recoverability of deferred tax assets (net) [as described in note 2A a (i), and 9 of the consolidated Ind AS financial statements]			

Other Information

The Holding Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Management Discussion and Analysis, Board's report including Annexures to Board's Report and Subsidiary's Performance Report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the Other Information and, in doing so, consider whether such Other Information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its joint ventures are also responsible for overseeing the financial reporting process of the Group and of its joint ventures.

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

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but

is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020 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.

Other Matter

We did not audit the Ind AS financial statements and other financial information, in respect of nineteen subsidiaries, whose Ind AS financial statements include total assets of Rs. 1,39,817 lakhs as at March 31, 2020, total revenues of Rs. 1,21,574 lakhs and net cash inflows of Rs. 5,322 lakhs for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which Ind AS financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 43 lakhs for the year ended March 31, 2020, as considered in the consolidated Ind AS financial statements, in respect of three joint ventures, whose Ind AS financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures, is based solely on the report(s) of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate Ind AS financial statements and the other financial information of subsidiaries and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) The matter described in the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- (a) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and joint ventures, none of the other directors of the Group's companies and its joint ventures incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (b) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its joint ventures incorporated in India, refer to our separate Report in "Annexure 1" to this report;
- (c) In our opinion and based on the consideration of reports of other auditors of the subsidiaries and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Holding Company, its subsidiaries and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (d) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate Ind AS financial statements as also the other financial information of the subsidiaries and joint ventures, as noted in the 'Other matter' paragraph:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint ventures in its consolidated Ind AS financial statements – Refer Note 19 and Note 34B to the consolidated Ind AS financial statements;
 - ii. The Group and its joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2020;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, subsidiaries and its joint ventures incorporated in India during the year ended March 31, 2020.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar

Partner

Membership Number: 055596

UDIN: 20055596AAAABL8609

Place of Signature: Kolkata

Date: June 06, 2020

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF USHA MARTIN LIMITED

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

In conjunction with our audit of the consolidated Ind AS financial statements of Usha Martin Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Usha Martin Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and its joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and its joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to these consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements

A Company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to these consolidated Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 Consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal Ind AS financial controls over financial reporting, with reference to these consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls 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 Holding Company, its subsidiary companies and its joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company, insofar as it relates to these four subsidiary companies and two joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and joint ventures incorporated in India.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar

Partner

Membership Number: 055596

UDIN: 20055596AAAABL8609

Place of Signature: Kolkata

Date: June 06, 2020

Consolidated Balance Sheet as at 31st March, 2020

(All amounts in Rs. lakhs)

	Notes	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non - current assets			
(a) Property, plant and equipment	3	84,149	86,044
(b) Capital work-in-progress	3	3,270	1,338
(c) Investment property	4	770	741
(d) Goodwill on consolidation		5,522	5,522
(e) Other intangible assets	5	908	1,173
(f) Right-of-use assets	6	4,261	-
(g) Equity accounted investments	7(i)	4,360	4,216
(h) Financial assets			
(i) Investments	7(ii)	5	5
(ii) Loans	7(iii)	711	89
(iii) Other financial assets	7(iv)	3,669	3,751
(i) Income tax assets (net)	8	5,791	4,162
(j) Deferred tax assets (net)	9	5,493	24,970
(k) Other assets	10	6,346	16,921
Total non-current assets		1,25,255	1,48,932
Current assets			
(a) Inventories	11	61,523	64,693
(b) Financial assets			
(i) Trade receivables	12(i)	29,840	32,545
(ii) Cash and cash equivalents	12(ii)	9,732	4,553
(iii) Other bank balances	12(iii)	1,510	2,766
(iv) Loans	12(iv)	94	860
(v) Other financial assets	12(v)	18,366	11,081
(c) Other assets	13	8,353	4,664
Total current assets		1,29,418	1,21,162
Assets held for sale	39(i)	1,417	2,607
		2,56,090	2,72,701
Assets of discontinued operations classified as held for sale	39(ii)	-	4,28,418
TOTAL		2,56,090	7,01,119
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	3,054	3,054
(b) Other equity	15	1,19,695	75,147
Equity attributable to equity shareholders of the parent		1,22,749	78,201
Non-controlling interest		3,777	3,242
Total equity		1,26,526	81,443
Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	16(i)	30,518	2,30,597
(ii) Lease liabilities	16(ii)	3,670	-
(ii) Other financial liabilities	16(iii)	19	-
(b) Provisions	17	4,935	2,834
(c) Deferred tax liabilities (net)	18	2,044	1,931
(d) Other liabilities	19	3,132	1,675
Total non-current liabilities		44,318	2,37,037
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	20(i)	23,326	85,371
(ii) Trade payables			
(A) Total outstanding dues of micro and small enterprises	20(ii)	307	93
(B) Total outstanding dues of creditors other than micro and small enterprises	20(ii)	36,022	32,360
(iii) Lease liabilities	20(iii)	438	-
(iv) Other financial liabilities	20(iv)	13,446	55,535
(b) Provisions	21	1,036	877
(c) Income tax liabilities (net)	22	240	259
(d) Other liabilities	23	10,431	11,454
Total current liabilities		85,246	1,85,949
Liabilities of discontinued operations classified as held for sale	39(ii)	-	1,96,690
Total liabilities		1,29,564	6,19,676
TOTAL		2,56,090	7,01,119

The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration number : 301003E/E300005

per **Bhaswar Sarkar**, Partner

Membership No. 055596

Place : Kolkata

Date : June 06, 2020

Rajeev Jhavar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole Time Director
DIN: 02498037

Anirban Sanyal
Chief Financial Officer

Shampa Ghosh Ray
Company Secretary
ACS 16737

For and on behalf of Board of Directors of Usha Martin Limited

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

(All amounts in Rs. lakhs)

	Notes	Year ended 31st March, 2020	Year ended 31st March, 2019
Continuing operations			
Income			
Revenue from operations	24	2,15,382	2,48,825
Other income	25	5,335	2,103
Total Income		2,20,717	2,50,928
Expenses			
Cost of materials consumed	26	1,14,956	1,58,627
Purchase of stock-in-trade		801	698
(Increase) / decrease in inventories of finished goods, work-in-progress, stock-in-trade and scrap/by-product	27	6,734	(8,095)
Employee benefits expense	28	30,606	27,891
Finance costs	29	7,418	11,353
Depreciation and amortisation expense	30	6,362	6,086
Other expenses	31	39,124	38,197
Total Expenses		2,06,001	2,34,757
Profit before tax from continuing business		14,716	16,171
Tax expenses on continuing operations			
(1) Current tax	9	860	767
(2) Adjustment of tax relating to earlier years		154	227
(3) Deferred tax expense/(credit)		19,959	(23,740)
		20,973	(22,746)
Profit / (loss) before share of profit of joint ventures from continuing operations		(6,257)	38,917
Share of profit of joint ventures		43	284
Profit after share of profit/(loss) of joint ventures from continuing operations		(6,214)	39,201
Discontinued operations [refer note 39 (ii)]			
Profit / (loss) for the year before tax from discontinued operations		48,322	(34,271)
Tax expenses of discontinued operations		-	-
Profit / (loss) for the year from discontinued operations		48,322	(34,271)
Profit for the year (from continuing and discontinued operations)		42,108	4,930
Other comprehensive income			
Items that will not be reclassified to profit or (loss)			
Remeasurement (loss) / gain on defined benefit plans, net of tax		(1,188)	(124)
Items that will be subsequently reclassified to profit or (loss)			
Exchange differences on translation of financial statements of foreign operations, net of tax		3,642	821
Total other comprehensive income for the year, net of tax		2,454	697
Total comprehensive income for the year		44,562	5,627
Profit for the year attributable to :			
Equity shareholders of the parent		41,884	4,798
Non-controlling interest		224	132
Other comprehensive income/(loss) attributable to :			
Equity shareholders of the parent		2,468	692
Non-controlling interest		(14)	5
Total comprehensive income for the year attributable to :			
Equity shareholders of the parent		44,352	5,490
Non-controlling interest		210	137
Basic and diluted Earnings per equity share [(Nominal value per share Re 1 each (31st March, 2019- Re 1 each)]	32		
(a) From continuing operations - (Rs.)		(2.11)	12.82
(b) From discontinued operations - (Rs.)		15.86	(11.25)
(c) From continuing and discontinued operations - (Rs.)		13.75	1.57

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration number : 301003E/E300005

per Bhaswar Sarkar, Partner

Membership No. 055596

Place : Kolkata

Date : June 06, 2020

Rajeev Jhavar
 Managing Director
 DIN: 00086164

Dhrub Jyoti Basu
 Whole Time Director
 DIN: 02498037

Anirban Sanyal
 Chief Financial Officer

Shampa Ghosh Ray
 Company Secretary
 ACS 16737

For and on behalf of Board of Directors of Usha Martin Limited

Consolidated statement of cash flows for the year ended 31st March, 2020

(All amounts in Rs. lakhs)

	Year ended 31st March, 2020	Year ended 31st March, 2019
A. Cash flow from operating activities		
Profit before tax from continuing operations before share of profit/(loss) of joint ventures from continuing operations	14,716	16,171
Profit /(loss) before tax from discontinued operations	48,322	(34,271)
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expense	6,934	29,919
Gain on disposal of property, plant and equipment (net)	(1,613)	125
Unrealised derivative loss (net)	347	49
Finance costs	9,244	60,368
Bad Debts /advances written off	641	366
Allowance for credit impaired debts and advances (net)	847	1,235
Tangible assets/capital work-in-progress written off	1	3
Interest income on financial assets carried at amortised cost	(439)	(693)
Unrealised foreign exchange differences (net)	706	506
Effect of change in foreign exchange translation	399	266
Liabilities no longer required written back	(2,062)	(4,709)
Provision for slow moving items and diminution in realisable value	-	253
(Reversal)/discounting of financial assets	(254)	1,052
Profit on sale of Steel and Bright Bar Business undertaking (discontinued operations)	(55,652)	-
Impairment of non financial assets	2,851	87
Operating profit before working capital changes	24,988	70,727
Working capital adjustments:		
(Increase) / decrease in inventories	579	27,564
(Increase) / decrease in trade receivables	1,748	9,945
(Increase) / decrease in loans and advances	145	64
(Increase) / decrease in other financial assets	(1,231)	1,394
(Increase) / decrease in other assets	(6,741)	(4,476)
Increase / (decrease) in trade payables	1,884	(7,930)
Increase / (decrease) in provisions	634	1,042
Increase / (decrease) in other financial liabilities	(1,477)	2,079
Increase / (decrease) in other liabilities	3,374	(1,510)
Cash generated from operations	23,903	98,899
Direct taxes paid	(2,661)	(1,458)
Net cash flow from operating activities	21,242	97,441
B. Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(4,056)	(7,612)
Proceeds from sale of property, plant and equipment, intangible assets and assets held for sale	3,515	8,282
Proceeds from sale of Steel and Bright Bar business undertaking (discontinued operations)	2,82,980	-
Refund of advance given for acquisition of land	10,306	-
Refund received / (payment) of margin money with banks	1,068	(1,523)
Interest received	659	421
Investment in bank deposits (with original maturity more than 3 months)	(150)	-
Net cash flows from/(used in) investing activities	2,94,322	(432)
C. Cash flows from financing activities		
Proceeds from long term borrowings	14,550	5,650
Repayment of long term borrowings	(2,51,452)	(45,061)
Repayment of short term borrowings/working capital loan from bank	420	11,225
(Repayment of) / proceeds from short term borrowings	(61,826)	(11,247)
Interest paid	(12,163)	(57,604)
Dividend to the extent paid by a subsidiary to minority shareholders	-	(291)
Dividend transferred to Investor Education and Protection fund	*	(13)
Net cash flows from/(used in) financing activities	(3,10,471)	(97,341)

Consolidated statement of cash flows for the year ended 31st March, 2020

(All amounts in Rs. lakhs)

	Year ended 31st March, 2020	Year ended 31st March, 2019
D. Effect of foreign exchange differences on cash and cash equivalents	(123)	121
Net increase / (decrease) in cash and cash equivalents (A+B+C+D)	4,970	(211)
Cash and cash equivalents at the beginning of the year	4,762	4,973
Cash and cash equivalents at the year end	9,732	4,762
Reconciliation of cash and cash equivalent as per statement of cash flows		
Balances with banks:		
On current account - continuing operations	9,230	4,401
On current account - discontinued operations		1
Deposits with original maturity less than 3 months	424	-
Remittance in transit - discontinued operations	-	201
Cash on hand - continuing operations	51	54
Cash on hand - discontinued operations	-	7
Cheques/drafts on hand - continuing operations	27	98
	9,732	4,762

* Amount is below the rounding off norm adopted by the Group.

1 The figures in bracket indicate outflows.

2 The above statement of cash flows has been prepared under the indirect method as set out in "Indian Accounting Standard - 7" - Statement of Cash flows.

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration number : 301003E/E300005

per Bhaswar Sarkar, Partner

Membership No. 055596

Place : Kolkata

Date : June 06, 2020

For and on behalf of Board of Directors of Usha Martin Limited

Rajeev Jhawar

Managing Director

DIN: 00086164

Dhruv Jyoti Basu

Whole Time Director

DIN: 02498037

Anirban Sanyal

Chief Financial Officer

Shampa Ghosh Ray

Company Secretary

ACS 16737

Consolidated statement of changes in equity for the year ended 31st March, 2020

(All amounts in Rs. lakhs)

A) Equity share capital (refer note 14)

Equity shares of Re 1 each issued, subscribed and fully paid-up	Number of shares	Amount
As at 31st March, 2018	30,47,41,780	3,054 *
Changes in equity share capital during the year	-	-
As at 31st March, 2019	30,47,41,780	3,054 *
Changes in equity share capital during the year	-	-
As at 31st March, 2020	30,47,41,780	3,054 *

* including share forfeited Rs 7 lakhs (31st March, 2019 : Rs 7 lakhs)

B) Other equity (refer note 15)

Particulars	Attributable to the equity holders of the parent									
	Reserves and surplus							Items of other comprehensive income	Total other equity	Non-controlling interest
	Securities premium account	Capital reserve	Capital redemption reserve	General reserve	Legal reserve	Retained earnings	Other reserves			
As at 31st March, 2018	85,584	668	6,631	54,439	265	(86,932)	6,350	2,647	69,652	3,369
Profit for the year	-	-	-	-	-	4,798	-	-	4,798	132
Changes in non-controlling interest	-	-	-	-	-	-	-	-	-	27
Re-measurement gains / (losses) on defined benefit plans, net of tax	-	-	-	-	-	(124)	-	-	(124)	5
Exchange differences on translation, net of tax	-	-	-	-	-	-	-	821	821	-
Dividends	-	-	-	-	-	-	-	-	-	(291)
As at 31st March, 2019	85,584	668	6,631	54,439	265	(82,258)	6,350	3,468	75,147	3,242
Profit for the year	-	-	-	-	-	41,884	-	-	41,884	224
Changes in non-controlling interest	-	-	-	-	-	-	-	-	-	325
Re-measurement (losses) on defined benefit plans, net of tax	-	-	-	-	-	(1,188)	-	-	(1,188)	(14)
Exchange differences on translation	-	-	-	-	-	-	-	3,642	3,642	-
Adjustment	-	-	-	-	-	210	-	-	210	-
As at 31st March, 2020	85,584	668	6,631	54,439	265	(41,352)	6,350	7,110	1,19,695	3,777

Refer note 15 for nature and purpose of reserves

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration number : 301003E/E300005

per Bhaswar Sarkar, Partner

Membership No. 055596

Place : Kolkata

Date : June 06, 2020

Rajeev Jhawar

Managing Director

DIN: 00086164

Dhrub Jyoti Basu

Whole Time Director

DIN: 02498037

Anirban Sanyal

Chief Financial Officer

Shampa Ghosh Ray

Company Secretary

ACS 16737

For and on behalf of Board of Directors of Usha Martin Limited

1. Group overview

Usha Martin Limited (the 'Company') is a public limited company incorporated and domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company and its subsidiaries and joint ventures (collectively referred as "Group") are principally engaged in the following businesses:

- Wire and Wire ropes – Manufacture and sale of steel wires, strands, wire ropes, cord, related accessories, etc.

- Others – Manufacture and sale of wire drawing and allied machines

The Board of Directors and shareholders of the Company at their respective meetings held on September 22, 2018 and November 10, 2018, approved the sale and transfer of the Company's Steel Business and plant and machinery of the bright bar business (together termed as "SBB Business" henceforth) to Tata Steel Limited (TSL) or its subsidiaries on a going concern basis under a slump sale arrangement. The SBB Business includes a specialised steel manufacturing plant, an operative iron ore mine, a coal mine under development, captive power plants and plant and machinery of Bright Bar Business. Accordingly, a Business Transfer Agreement ('BTA') was executed on September 22, 2018 between the Company and TSL. Subsequently, on October 24, 2018, the Company has entered into a novation agreement with TSL and Tata Steel Long Products Limited formerly known as Tata Sponge Iron Limited (the 'Purchaser'), a subsidiary of TSL whereby all rights and obligations of TSL under the terms of the BTA was assumed by the Purchaser. Pursuant to the BTA and Novation agreement as stated above and Supplemental Business Transfer Agreement dated April 7, 2019 and July 3, 2019 respectively with Purchaser, the Company has transferred its SBB Business as a going concern on slump sale basis during the year ended March 31, 2020 in accordance with the terms and conditions set out in those agreements [Refer note 39 (ii)]. The equity shares of the Company are listed on two recognised stock exchanges in India and its GDRs are listed on stock exchange in Luxembourg. The registered office of the Company is located at 2A, Shakespeare Sarani, Kolkata - 700071. The Group caters to both domestic and international markets.

2A. Significant Accounting Policies

a1) Basis of preparation and compliance with Ind AS

(i) These consolidated Ind AS financial statements of the Group have been prepared in accordance with Indian Accounting Standard (Ind AS) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. The accounting policies have been applied consistently over the periods presented in the financial statements.

(ii) These financial statements were approved for issue by the Board of Directors on June 6, 2020.

(iii) These Ind AS Financial Statements are prepared in Indian Rupee which is the Group's functional currency. All financial information presented in Rupees has been rounded to the nearest lakhs, except when otherwise indicated.

a2) Basis of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the results of Usha Martin Limited and all its subsidiaries, being the entities that it controls. Control is evidenced where the Group has power over the investee or is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the

entity returns.

The financial statements of subsidiaries are prepared for the same reporting year as the parent company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Group.

For non-wholly owned subsidiaries, a share of the profit/loss for the financial year and net assets is attributed to the non-controlling interests as shown in the Consolidated Statement of Profit and Loss and Consolidated Balance Sheet.

For acquisitions of additional interests in subsidiaries, where there is no change in control, the Group recognises a reduction to the non-controlling interest of the respective subsidiary with the difference between this figure and the cash paid, inclusive of transaction fees, being recognised in equity. In addition, upon dilution of controlling interests the difference between the cash received from sale or listing of the subsidiary shares and the increase to non-controlling interest is also recognised in equity. The results of subsidiaries acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Intra-Group balances and transactions, and any unrealized income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealized losses are eliminated unless cost cannot be recovered.

(ii) Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is considered when there is contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investments in joint arrangements are classified as either joint operations or joint venture. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group has joint ventures only.

Joint ventures

The Group accounts for its interest in Joint ventures using the equity method (see below), after initially being recognised at cost in the consolidated balance sheet. Goodwill arising on the acquisition of Joint ventures is included in the carrying value of investments in Joint ventures.

Equity method of accounting

Under the equity method of accounting applicable for Joint ventures, investments are initially recorded at the cost to the Group and then, in subsequent periods, the carrying value is adjusted to reflect the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividend received or receivable from Joint ventures is recognised as a reduction in carrying amount of the investment.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

If the Group's share of losses in a joint venture equals or exceeds its interests in the joint venture, the Group discontinues recognition of further losses. Additional losses are provided for, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy below.

a3) Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current only.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

b. Goodwill

Goodwill arising on the acquisition of a subsidiary represents the excess of the consideration transferred in the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities assumed and contingent liabilities recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit.

An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit and loss on disposal.

c. Basis of measurement

Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. 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.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group is entitled to in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Group expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional. Generally, the credit period varies between 0-90 days from the shipment or delivery of goods or services as the case may be. The Group provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified and also accrues discounts to certain customers based on customary business practices.

Goods and service tax (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the Government. Accordingly, it is excluded from revenue.

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

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment.

Trade receivables

A receivable represents the Group’s right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Interest income

Interest income is included in other income in the Statement of Profit and Loss. For all financial instruments, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

Dividends are recognised when the Group’s right to receive the payment is established which is generally when shareholders approve the dividend.

e1. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Other indirect expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital work-in-progress.”

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised 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 recognised in the Statement of Profit and Loss as incurred.

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(i) Capital work-in-progress

Capital work-in-progress is stated at cost, net of accumulated impairment losses, if any. Assets in the course of construction are capitalized in capital work-in-progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment.

(ii) Depreciation

Assets in the course of development or construction and freehold land are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line method basis over its expected useful life (determined by the management based on technical estimates), as follows:

Particulars	Useful economic life
Buildings*	30-60 years
Plant and equipment**	10-41 years
Electrical installations	10-40 years
Water treatment and supply plant	15-30 years
Office equipment	3-5 years
Furniture and fixtures	5-10 years
Vehicles	8 years

*Roads included under buildings are depreciated considering useful life of 3-10 years

** Stores and spares, with useful life more than one year, included under plant and equipment are depreciated considering useful life of 2-9 years

The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment, electrical installation and water treatment and supply over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Major inspection and overhaul costs are depreciated over the estimated life of the economic benefit derived from such cost. The

carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

When significant spare parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

e2. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost net of recoverable taxes, trade discount and rebates. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use attributable to the intangible assets. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The Group has intangible assets with finite useful lives.

Computer softwares are amortised on straight-line method at the rates determined based on estimated useful lives which vary from 3 years to 6 years.

Trademarks are amortised on straight-line method at the rates determined based on estimated useful lives of 15 years.

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Research and development costs

Research costs are expensed to the Statement of Profit and Loss as incurred. Development expenditure on an individual project are recognised as an intangible asset when the Group can demonstrate:

- (i) The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- (ii) Its intention to complete and its ability and intention to use or sell the asset
- (iii) How the asset will generate future economic benefits
- (iv) The availability of resources to complete the asset
- (v) The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit and the expense is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

f. Investment properties

Investment properties are measured initially at cost, including transaction costs.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of disposal.

The Group depreciates the building over estimated useful lives of 30 years. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in notes. Fair value are determined based on an annual evaluation performed by an accredited external independent valuer.

g. Non-current assets held for sale and discontinued operations

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense. The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale/distribution will be made or that the decision to sell / distribute will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets are available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the Balance Sheet.

Property, plant and equipment and intangible once classified as held for sale are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for

sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit /loss from discontinued operations in the Statement of Profit and Loss.

Basis of segregation into discontinued operations are provided in note 33 and additional disclosures in respect of discontinued operations are provided in note 39(ii) to the financial statements.

h1. Foreign currencies

In the financial statements of the Group, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or profit and loss are also recognised in OCI or profit and loss, respectively).

For the purposes of the consolidated financial statements, items in the consolidated statements of profit and loss of those operations for which the Indian Rupees is not the functional currency are translated into Indian Rupees at the average rates of exchange during the year. The related consolidated balance sheet is translated into Indian rupees at the rates as at the reporting date. Exchange differences arising on translation are recognised in the other comprehensive income. On disposal of such entities, the deferred cumulative exchange differences recognised in equity relating to that particular foreign operation are recognised in profit and loss.

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognised. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

h2. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, income is estimated on the basis of fulfilment of related obligations. Export benefits related to sale of goods are accounted on recognition of export sales.

i. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation

to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet.

j. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the

period in which they are earned.

I. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials and packing materials, stores and spares parts and loose tools: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Work-in-progress and finished goods : Cost includes cost of direct materials and cost of conversion and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average basis.
- Stock-in-trade: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Scrap / by products are valued at net realisable value. Scrap is being recognised on recovery.

Net realisable 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.

Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided to net realisable value.

m. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been

recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss.

n. Provisions, contingent liabilities and contingent assets

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognized when the Group has a present obligation (legal or constructive), as a result of past events and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

o. Employee benefit schemes

(i) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Compensated absences:

Compensated absences accruing to employees and which can be carried to future periods but where there are restrictions on availment or encashment or where the availment or encashment is not expected to occur wholly in the next twelve months, the liability on account of the benefit is determined actuarially using the projected unit credit method.

(ii) Post-employment benefits

• Defined contribution plan

Retirement benefits in form of superannuation is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the superannuation fund. The Group recognizes contribution payable to the superannuation scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund. Contribution towards Provident Fund for employees of UM Cables Limited are made to the regulatory authorities. Such provident fund benefit is classified as defined contribution scheme as the Group does not carry any further obligations, apart from the contribution made on a monthly basis which is recognised as expense in the Statement of Profit and Loss.

• Defined benefit plans – Gratuity, Provident fund and long term service award

Gratuity

The Group has a defined benefit plan (the "Gratuity Plan"). The gratuity is paid @15 days basic salary for every completed year of service as per the Payment of Gratuity Act, 1972. The Gratuity plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and the number of years of employment with the Group. Presently the Company's gratuity plan is funded.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets, if any. This cost is included in employee benefit expense in the Statement of Profit and Loss.

The liability or asset recognised in the Balance Sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method and spread over the period during which the benefit is expected to be derived from employees' services.

Remeasurements, comprising of actuarial gains and losses from changes in actuarial assumptions, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit and loss in subsequent periods. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Provident fund

Eligible employees (other than employees of UM Cables Limited) of the Group receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the 'Usha Martin Employees Provident Fund Trust'. The trust invests in specific designated instruments as prescribed by the Government. The remaining portion is contributed to the Government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

Long term service award

Employees of the Company rendering greater than twenty years of service will receive long service award on all causes of exit as per the Company's policy. The cost of providing benefits under this plan

is determined by actuarial valuation using the projected unit credit method by independent qualified actuaries at the year end.

P. Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115 : Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a timeframe established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories :

(i) Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

(ii) Financial assets at fair value through Other Comprehensive Income (FVOCI) with recycling of cumulative gains and losses (debt instruments)

A 'financial asset' is classified as at the FVOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the Statement of Profit and Loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

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

A financial asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Group changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

Financial assets at fair value through profit or loss are carried in the Balance Sheet at fair value with net changes in fair value recognised in the Statement of Profit and Loss.

Dividends on listed equity investments are recognised in the Statement of Profit and Loss when the right of payment has been established.

(iv) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32: Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to Statement of Profit and Loss. Dividends are recognised as other income in the Statement of Profit and Loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised when the contractual rights to receive cash flows from the financial asset have expired or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all financial instruments and receivables not held at fair value through profit or loss in accordance with Ind AS 109. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default

events that are possible within the next 12-months from the reporting date (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group's debt instruments at fair value through OCI comprise solely of quoted bonds that are graded in the top investment category (very good and good) by the good credit rating agency and, therefore, are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from the good credit rating agency both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, borrowings (net of directly attributable cost), payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at fair value through Profit and Loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not

designated as hedging instruments in hedge relationships as defined by Ind AS 109 : Financial instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109: Financial instruments are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to the Statement of Profit and Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Group has designated forward exchange contracts as 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.

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 : Financial instruments and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

q. Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as foreign exchange contracts to hedge its exposure to movements in foreign exchange rates relating to the underlying transactions. The Group does not hold derivative financial instruments for speculation purposes. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value and the resulting profit and loss is taken to the Statement of Profit and Loss. Derivatives

are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

r. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

s. Cash dividend distributions to equity holders

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

t. Earnings per share

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

u. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "unallocated revenue/expenses/assets/liabilities".

v. Use of estimates and critical accounting judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

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

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

2B. Recent Accounting Pronouncements

Standards issued but not yet effective

The Group has applied the standards and interpretations issued to the reporting period presented. Thus, there are no standards which are issued, but not yet effective as on the date of the issue of these financial statements.

2C. Changes in accounting policies and disclosures

New and amended standards

The Group applied Ind AS 116 : Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments apply for the first time for the year ending 31 March 2019, but do not have an impact on the financial statements of the Group. The Group has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

Ind AS 116 : Leases

Ind AS 116 supersedes the previous standard Ind AS 17 : Leases including its appendices (Appendix C of Ind AS 17 : Determining whether an arrangement contains a lease, Appendix A of Ind AS 17 : Operating leases-incentives and Appendix B of Ind AS 17 : Evaluating the substance of transactions involving the legal form of a lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the Balance Sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Group is the lessor.

Effective April 1, 2019, the Group has adopted Ind AS 116, 'Leases'. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise right-of-use assets and lease liabilities for all lease with a term of more than twelve months, unless the underlying asset is of a low value. The Group has used the 'modified retrospective approach' for transition from the previous standard Ind AS 17 and consequently, comparatives for previous periods have not been retrospectively adjusted. On transition, the Group has recorded the lease liability at the present value of future lease payments on date of transition discounted using the incremental borrowing rate and has also chosen the practical expedient provided in the standard to measure the right-of-use assets and corresponding lease liability as on date of transition. The adoption of the new standard resulted in recognition of 'Right-of-use' asset and an equivalent lease liability as on April 1, 2019. The effect of adoption of Ind AS 116 on the profit before tax, profit for the period and earning per share is not material.

Appendix C to Ind AS 12 : Uncertainty over income tax treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 : Income taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Group applies significant judgement in identifying uncertainties over income tax treatments. The Group assessed whether the appendix had an impact on its financial statements.

Upon adoption of the Appendix C to Ind AS 12, the Group considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Group's tax filings include deductions related to transfer pricing and the taxation authorities may challenge those tax treatments. The Group determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments will be accepted by the taxation authorities. The appendix did not have an impact on the financial statements of the Group.

Amendments to Ind AS 109: Prepayment features with negative compensation

Under Ind AS 109 : Financial instruments, a debt instrument can be measured at amortised cost or at fair value through other comprehensive

income, provided that the contractual cash flows are solely payments of principal and interest on the principal amount outstanding (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

These amendments had no impact on the financial statements of the Group.

Amendments to Ind AS 19 : Plan amendment, curtailment or settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to determine the current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event. An entity is also required to determine the net interest for the remainder of the period after the plan amendment, curtailment or settlement using the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event, and the discount rate used to remeasure that net defined benefit liability (asset). The amendments had no impact on the financial statements of the Group as it did not have any plan amendments, curtailments, or settlements during the period.

Annual improvement to Ind AS (2018):

These improvements include:

Amendments to Ind AS 12: Income taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where it originally recognised those past transactions or events.

An entity applies the amendments for annual reporting periods beginning on or after 1 April 2019.

Since the Group's current practice is in line with these amendments, they had no impact on the financial statements of the Group.

Amendments to Ind AS 23: Borrowing costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

The entity applies the amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019.

Since the Group's current practice is in line with these amendments, they had no impact on the financial statements of the Group.

Notes to the consolidated financial statements

(All amounts in Rs. lakhs)

3 Property, plant and equipment and Capital work-in-progress

Particulars	Freehold land [Refer Note (b) (I) below]	Leasehold land [Refer Note (b) (II) below]	Mining lease and development	Buildings [Refer Note (b) (III) below]	Plant and equipment	Railway siding	Electrical installations	Water treatment and supply plant	Office equipment	Furniture and fixtures	Vehicle	Total	Capital work-in-progress
Gross block													
As at 31st March, 2018	14,768	208	2,676	52,795	4,34,018	2,012	55,084	728	1,122	569	1,271	5,65,251	11,302
Additions-continuing operations	-	3	-	29	1,152	-	2	-	88	29	181	1,484	1,306
Additions -discontinued operations	661	-	-	271	3,846	-	51	-	60	8	30	4,927	1,086
Disposals-continuing operations	1	-	-	164	15	-	-	150	73	94	48	545	8,808
Disposals-discontinued operations	-	-	-	-	208	-	-	-	8	-	26	242	829
Exchange difference on consolidation	221	-	-	51	406	-	2	-	(8)	10	21	703	(232)
Transferred to assets of discontinued operations classified as held for sale [refer note 39(ii)]	6,381	148	2,676	20,194	3,75,594	2,012	53,303	240	494	191	168	4,61,401	2,487
As at 31st March, 2019	9,268	63	-	32,788	63,605	-	1,836	338	687	331	1,261	1,10,177	1,338
Additions/adjustments (refer note c)-continuing operations	218	-	-	1,153	1,402	-	35	-	249	37	236	3,330	2,766
Disposals/adjustments-continuing operations (refer note d)	409	63	-	1,795	281	-	239	-	37	16	341	3,181	620
Exchange difference on consolidation	265	-	-	1,123	1,428	-	(1)	-	20	17	54	2,906	(214)
As at 31st March, 2020	9,342	-	-	33,269	66,154	-	1,631	338	919	369	1,210	1,13,232	3,270
Accumulated depreciation													
As at 31st March, 2018	-	23	897	10,627	68,299	678	7,253	55	566	278	412	89,088	-
Charge for the year- continuing operations (refer note 30)	-	-	-	1,186	4,049	-	61	11	107	49	221	5,684	-
Charge for the year discontinued operations [refer note 39 (ii)]	-	3	233	629	19,755	227	2,338	8	87	21	31	23,332	-
Disposals / adjustments -continuing operations	-	-	-	158	105	-	-	-	71	85	32	451	-
Disposals / adjustments -discontinued operations	-	6	-	-	-	-	-	-	6	-	15	27	-
Exchange difference on consolidation	-	-	-	56	107	-	1	-	(7)	4	4	165	-
Transferred to assets of discontinued operations classified as held for sale [refer note 39(ii)]	-	20	1,130	7,689	74,067	905	9,379	28	264	88	88	93,658	-
As at 31st March, 2019	-	-	-	4,651	18,038	-	274	46	412	179	533	24,133	-
Charge for the year	-	-	-	1,125	3,973	-	50	11	102	52	207	5,520	-
Disposals / adjustments -continuing operations	-	-	-	702	127	-	104	-	31	9	235	1,208	-
Exchange difference on consolidation	-	-	-	147	468	-	(3)	-	4	11	11	638	-
As at 31st March, 2020	-	-	-	5,221	22,352	-	217	57	487	233	516	29,083	-
Net block													
As at 31st March, 2020	9,342	-	-	28,048	43,802	-	1,414	281	432	136	694	84,149	3,270
As at 31st March, 2019	9,268	63	-	28,137	45,567	-	1,562	292	275	152	728	86,044	1,338

Notes to the consolidated financial statements

(All amounts in Rs. lakhs)

- a) For item/charge against property, plant and equipment refer note 16 (i), note 20(ii) and note 20(iii).
- b) **I. Freehold land includes :**
- Two plots of land of Rs. 2,315 lakhs as at 31st March, 2020 (31st March, 2019 : Rs. 2,315 lakhs) located at Ranchi, acquired pursuant to a scheme of arrangement which are held in the name of the transferor company.
 - One plot of land of Rs. 29 lakhs as at 31st March, 2020 (31st March, 2019 : Rs. 29 lakhs) located at Mumbai in respect of which the conveyance deed is yet to be executed in favour of the Company.
 - One plot of land of Rs. 42 lakhs as at 31st March, 2020 (31st March, 2019 : Rs. 42 lakhs) located at Kolkata in respect of which title deeds are not readily traceable.
- II. Leasehold land includes :**
- Two plots of land gross block and net block of Rs. 5 lakhs and Rs. 3 lakhs as at 31st March, 2020 (31st March, 2019 : gross block Rs. 5 lakhs and net block Rs. 3 lakhs) located at Ranchi in respect of which lease deeds are yet to be executed in favour of the Company.
- III. Buildings include :**
- One property (gross block and net block of Rs. 1 lakh and Rs. 1 lakh as at 31st March, 2020 (31st March, 2019 : gross block Rs. 1 lakh and net block Rs. 1 lakh) located at Mumbai in respect of which the conveyance deed is yet to be executed in favour of the Company.
 - Two properties (gross block and net block of Rs. 8 lakhs and Rs. 7 lakhs as at 31st March, 2020 (31st March, 2019 : gross block Rs. 8 lakhs and net block Rs. 7 lakhs) located at Kolkata in respect of which title deeds are not readily traceable.
- c) Addition includes transfer of assets related to Chennai Bright Bar from assets held for sale [Refer Note 39 (i) (b)].
- d) Disposals/adjustments includes transfer of assets to right-of-use assets.

4. Investment property

Particulars	Building
Gross block	
As at 31st March, 2018	825
Exchange difference on consolidation	50
As at 31st March, 2019	875
Exchange difference on consolidation	83
As at 31st March, 2020	958
Accumulated depreciation	
As at 31st March, 2018	91
Charge for the year (refer note 30)	38
Exchange difference on consolidation	5
As at 31st March, 2019	134
Charge for the year (refer note 30)	39
Exchange difference on consolidation	15
As at 31st March, 2020	188
Net block	
As at 31st March, 2020	770
As at 31st March, 2019	741

a) Information regarding income and expenditure of investment property

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Rental income derived from investment property	162	193
Direct operating expenses (including repairs and maintenance) arising from investment property generating rental income	5	14
Profit arising from investment property before depreciation and indirect expenses	157	179
Less : depreciation	39	38
Profit arising from investment property before indirect expenses	119	141

b) Information regarding investment property

The Group's investment property consist of a commercial building in Singapore of Usha Martin Singapore Pte. Limited, which is leased to third party. The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

c) Fair valuation of investment property

The valuation is based on valuations performed by an independent valuer in accordance with the valuation standards and practice guidelines issued by the Singapore Institute of Surveyors and Valuers.

The fair value of the investment property amounting to Rs. 2,187 lakhs (31st March, 2019 : Rs. 2,169 lakhs) was derived using the recent sales of similar properties in the comparable locations. The valuer has adopted the Comparison method and Income Approach method for arriving at the market value of the investment property. Since the valuation is based on valuation techniques which maximise the use of observable market data, the Group has classified the same under level 2.

5. Other intangible assets				
Particulars	Computer software	Trademark	Mining rights	Total other intangible assets
Gross block				
As at 31st March, 2018	3,810	153	1,389	5,352
Additions-continuing operations	14	-	-	14
Exchange difference on consolidation	14	9	-	23
Transferred to assets of discontinued operations classified as held for sale [refer note 39(ii)]	1,773	-	1,389	3,162
As at 31st March, 2019	2,065	162	-	2,227
Additions-continuing operations	94	-	-	94
Disposals/adjustments	13	-	-	13
Exchange difference on consolidation	28	18	-	46
As at 31st March, 2020	2,174	180	-	2,354
Accumulated Amortisation				
As at 31st March, 2018	1,107	59	377	1,543
Charge for the year-continuing operations (refer note 30)	353	11	-	364
Charge for the year - discontinued operations [refer note 39(ii)]	355	-	145	500
Exchange difference on consolidation	4	-	-	4
Transferred to assets of discontinued operations classified as held for sale [refer note 39(ii)]	835	-	522	1,357
As at 31st March, 2019	984	70	-	1,054
Charge for the year-continuing operations (refer note 30)	356	11	-	367
Disposals/adjustments	2	-	-	2
Exchange difference on consolidation	10	17	-	27
As at 31st March, 2020	1,348	98	-	1,446
Net block				
As at 31st March, 2020	827	81	-	908
As at 31st March, 2019	1,081	92	-	1,173

6. Right of use of Assets						
Particulars	Land #	Building##	Plant & Equipment###	Office Equipment###	Vehicle*	Total
Gross block						
As at 31st March, 2019	-	-	-	-	-	-
Transfer in from property, plant and equipment	63	-	39	3	172	277
Additions during the year	3,189	892	39	3	200	4,323
Exchange difference on consolidation	150	49	-	-	22	221
As at 31st March, 2020	3,402	941	78	6	394	4,821
Accumulated depreciation/amortisation						
As at 31st March, 2019						
Transfer in from property, plant and equipment	5	-	6	-	93	104
Depreciation/amortisation expense for the year (refer note 30)	151	222	14	-	49	436
Exchange difference on consolidation	119	(107)	-	-	8	20
As at 31st March, 2020	275	115	20	-	150	560
Net block						
As at 31st March, 2020	3,127	826	58	6	244	4,261
As at 31st March, 2019	-	-	-	-	-	-

Represents unamortised leasehold rights

Represents office space taken on lease

Represents equipments such as forklift, hydra etc taken on lease

* Represents vehicles taken on finance lease

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

Non - current assets

7(i) Equity accounted investments	As at 31st March, 2020	As at 31st March, 2019
Investment in equity instruments (unquoted)		
(at cost unless otherwise stated)		
In joint ventures		
Pengg Usha Martin Wires Private Limited # 1,08,00,000 (31st March, 2019 : 1,08,00,000) equity shares of Rs.10 each, fully paid	2,576	2,414
CCL Usha Martin Stressing System Limited 4,73,195 (31st March, 2019 : 4,73,195) equity shares of Rs.10 each, fully paid	43	42
Tesac Usha Wires Pvt Limited (Joint Venture of Usha Siam Steel Industries Public Group Limited, a subsidiary of the Company) 12,50,000 (31st March, 2019 : 12,50,000) equity shares of THB 100 each, fully paid	1,741	1,760
Total	4,360	4,216
Aggregate amount of unquoted investments	4,360	4,216

Refer note 34A2(iii)(b)

Financial assets

7 (ii) Investments	As at 31st March, 2020	As at 31st March, 2019
Investment in equity instruments (unquoted)		
(at fair value through profit and loss)		
Investment in other companies		
Adityapur Toll Bridge Company Limited 1,00,000 (31st March, 2019 : 1,00,000) equity shares of Rs.10 each, fully paid [Cost Rs. 10 lakhs (31st March, 2019 : Rs 10 lakhs), Rs 5 lakhs (31st March, 2019 : Rs 5 lakhs), impaired]	5	5
Usha Communications Technology Limited BVI 1,21,10,242 (31st March, 2019 : 1,21,10,242) ordinary shares of USD 0.50 each, fully paid [Cost Rs. 28 lakhs (31st March, 2019 : Rs 28 lakhs), Rs 28 lakhs (31st March, 2019 : Rs 28 lakhs), fully impaired]	-	-
UMI Special Steel Limited (in liquidation) 1,80,68,472 (31st March, 2019 : 1,80,68,472) equity shares of Rs.10 each, fully paid	*	*
Adityapur Auto Cluster Limited 1,000 (31st March, 2019 : 1,000) equity shares of Rs.1,000 each, fully paid [Cost Rs. 10 lakhs (31st March, 2019 : Rs 10 lakhs), Rs 10 lakhs (31st March, 2019 : Rs 10 lakhs), fully impaired]	-	-
Total	5	5
Aggregate amount of unquoted investments	5	5
Aggregate amount of impairment in value of investments	43	43

* Amount is below the rounding off norm adopted by the Group

7 (iii) Loans - at amortised cost	As at 31st March, 2020	As at 31st March, 2019
(Unsecured, considered good unless otherwise stated)		
Loans to employees	90	89
Loan to others*	621	-
Total	711	89

*Represents interest bearing loan to a body corporate carrying interest @15% p.a. payable in one yearly instalment on 31st March, 2021 (net of impairment loss of Rs.149 lakhs).

Loans are financial assets which generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparties.

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

7 (iv) Other financial assets	As at 31st March, 2020	As at 31st March, 2019
(Unsecured, considered good unless otherwise stated)		
Bank deposits with more than 12 months maturity #	682	-
Security deposits	914	873
Export incentive receivable	266	281
Margin money ##	1,379	1,041
Interest accrued but not due on deposits	428	71
Advance against coal mines [(refer note 39(i)(a))]	-	1,485
Total	3,669	3,751

Rs. 532 lakhs (31st March, 2019 : Nil) earmarked as margin money against issue of letter of credit and bank guarantee

Earmarked as margin money against issuance of letter of guarantee

8. Income tax assets (net)	As at 31st March, 2020	As at 31st March, 2019
Advance payment of income tax [net of provision for tax - Rs. Nil (31st March, 2019 : Rs. Nil)]	5,791	4,162

9. Deferred tax assets (net)	As at 31st March, 2020	As at 31st March, 2019
Deferred tax assets (DTA)		
On expenses allowable against taxable income in future years	4,827	7,123
On carry-forward unabsorbed depreciation *	1,504	90,888
On carry-forward business losses	2,644	6,999
Total DTA	8,975	1,05,010
Deferred tax liabilities (DTL)		
On temporary difference between written down value of property, plant and equipment as per books of account and for tax purpose	3,372	79,642
On unamortised borrowing costs	110	398
Total DTL	3,482	80,040
Deferred tax assets (net)	5,493	24,970

* During the year ended March 31, 2019, the Company had recognised net deferred tax assets of Rs. 23,846 lakhs as part of continuing business arising from unabsorbed depreciation and brought forward business losses that would be available to the continuing business for set off against long-term capital gain (LTCG) that would arise from sale of SBB Business and against future taxable income of the continuing business. Pursuant to sale of SBB business during the year, the Company has utilised such deferred tax assets against LTCG arising from sale of SBB Business. Management believes that balance DTA of Rs. 4,293 lakhs will be recovered against future taxable income that will arise from operations of the continuing business.

Deferred tax assets and liabilities have been offset where they arise in the same legal entity and taxing jurisdiction but not otherwise.

(a) Tax charge/(credit) recognised in the Statement of Profit and Loss and OCI	Year ended 31st March, 2020	Year ended 31st March, 2019
The major components of income tax expense for the years ended 31st March, 2020 and 31st March, 2019 are:		
Current tax	860	767
Adjustment of tax relating to earlier years	154	227
Deferred tax (credit)/expense	19,591	(23,826)
Total	20,605	(22,832)

(b) A reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated is as follows:		
Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Accounting profit / (loss) before tax (including share of profit of joint ventures)	63,081	(17,816)
Statutory income tax rate	25.170%	34.944%
Tax profit /(loss) at statutory income tax rate	15,877	(6,226)
Adjustments:		
Deferred tax on unabsorbed depreciation and brought forward business losses recognised out of opening balance	-	(17,892)
Disallowable expenses/other non-deductible differences	22	959
Exempt income	(40)	-
Effect of tax rate differences of subsidiaries operating in other jurisdictions	8	35
Tax on dividend received	-	65
Adjustment of tax relating to earlier periods	154	227
True up adjustments/impact of change in tax rate for future period*	4,584	-
Total	20,605	(22,832)

* During the year, the Company has elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the deferred tax assets (net) as at March 31, 2019 and the estimate of tax expense for the year ended March 31, 2020 have been re-measured basis the rate prescribed in the said section.

(c) Reconciliation of deferred tax assets/liabilities (net):		
	Year ended 31st March, 2020	Year ended 31st March, 2019
Opening deferred tax assets (net) balance as of 1 April	24,970	896
Opening deferred tax liabilities (net) balance as of 1 April	(1,931)	(1,633)
Deferred tax charge/(credit) during the year recognised in Statement of Profit and Loss and OCI	19,591	(23,826)
Exchange difference	1	(50)
Total	3,449	23,039

10. Other assets : non current	As at 31st March, 2020	As at 31st March, 2019
(Unsecured, considered good unless otherwise stated)		
Capital advances	42	34
Prepaid expenses	88	18
Balances with government authorities		
Excise / service tax	53	59
Sales tax / value added tax	1,083	933
Deposit for legal case	1,965	1,025
Deposits with land authority	-	8,641
Deposit for fuel surcharge / other electricity matter	2,885	2,885
Claims receivable		
Considered good	230	475
Considered credit impaired	405	-
Less : allowance for credit impaired receivable	(405)	-
Advance against coal mines [refer note 39(i)(a)] #	-	2,851
Total	6,346	16,921

Net of impairment Rs. 2,851 lakhs (31st March, 2019 : Nil)

Current assets

11. Inventories (at lower of cost and net realisable value)	As at 31st March, 2020		As at 31st March, 2019	
Raw materials (including packing materials)*	16,944		11,744	
Goods-in transit	3,401		4,581	
		20,345		16,325
Work-in-progress		10,684		21,390
Finished goods	26,506		22,057	
Goods-in transit	888		2,537	
		27,394		24,594
Stock-in-trade		110		96
Stores and spare parts		2,178		1,780
Loose tools		254		309
Scrap/by-product		558		199
Total		61,523		64,693

* Including Rs.88 lakhs held by a third party (31st March, 2019 : Rs.86 lakhs)

Note : Year end inventories are net of Rs. 1314 lakhs (31st March, 2019 : Rs. 89 lakhs) towards write-downs to net realisable value and provision for slow moving.

12. Financial assets			
(i) Trade receivables (at amortised cost)		As at 31st March, 2020	As at 31st March, 2019
(Unsecured)			
Trade receivables considered good		27,030	31,604
Trade receivables which have significant increase in credit risk		2,810	941
Trade receivables considered credit impaired		928	523
Less : allowance for credit impaired trade receivables		(928)	(523)
Total		29,840	32,545

(i) No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

(ii) Trade receivables are generally on terms of 30 to 90 days.

(iii) For lien / charge against trade receivables, refer Note 20(i). Below is the details of trade receivables discounted with recourse available to the bank and hence not meeting de-recognition criteria :

Transferred receivables	875	2,664
Associated borrowings [refer note 20(i)]	875	2,664

(iv) Refer Note 38B(a) for information about credit risk and market risk on receivables

(v) Set out below is the movement in the allowance for credit impaired trade receivables:

As at 1st April	523	2,228
Provision/(reversal) for credit impaired trade receivables	405	1,705
As at 31st March	928	523

(ii) Cash and cash equivalents	As at 31st March, 2020	As at 31st March, 2019
Balances with banks:		
On current accounts	9,230	4,401
Deposits with original maturity less than 3 months*	424	-
Cheques/drafts on hand	27	98
Cash on hand	51	54
Total	9,732	4,553

* Short-term deposits with banks are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

(iii) Other bank balances	As at 31st March, 2020	As at 31st March, 2019
Unpaid dividend accounts #	3	3
Deposits with original maturity for more than 3 months but up to 12 months ##	1,507	2,763
Total	1,510	2,766

Earmarked for payment of unclaimed dividend

Earmarked as margin money against issue of letter of credit and bank guarantee

(iv) Loans (at amortised cost)	As at 31st March, 2020	As at 31st March, 2019
(Unsecured, considered good unless otherwise stated)		
Loans to employees		
Considered good	94	88
Considered credit impaired	10	10
Less: Allowance for credit impaired loans to employees	(10)	(10)
Loans to body corporate*	-	772
Total	94	860

* Represents interest bearing loan to a body corporate carrying interest @15% p.a. payable in one yearly instalment on 31st March, 2021.

(v) Other financial assets	As at 31st March, 2020	As at 31st March, 2019
(Unsecured considered good unless otherwise stated)		
Derivative not designated as hedges		
Foreign exchange forward contracts #	23	82
Other financial assets at amortised cost		-
Advance against land -coal mines [refer note 39(i)(a)]	227	8,458
Receivable from Tata Steel Long Products Limited [refer note 39(ii)]	15,687	-
Interest receivable on deposits and others	-	108
Accrued interest on deposits and others	45	620
Claims /advances receivable	1,410	434
Security deposits	225	257
Considered credit impaired	27	-
Less: allowance for credit impaired deposits	(27)	-
Export incentive receivable		
Considered good	517	1,063
Considered credit impaired	53	53
Less: Allowance for credit impaired balance	(53)	(53)
Other receivables	232	59
Total	18,366	11,081

Financial assets at fair value through profit and loss

Derivative instruments at fair value through profit and loss reflect the negative change in fair value of those foreign exchange forward contracts that are not designated as hedge relationships. Refer note 38B(ci) for details regarding the nature and extent of risks arising from financial instruments to which the Group is exposed at the end of the reporting year.

13. Other assets : current	As at 31st March, 2020	As at 31st March, 2019
(Unsecured, considered good unless otherwise stated)		
Advances to suppliers*		
Considered good	3,152	892
Considered credit impaired	36	12
Less: allowance for credit impaired advances	(36)	(12)
Balance with statutory/Government authorities		
Considered good	4,663	3,290
Considered credit impaired	604	635
Less: allowance for credit impaired balance	(604)	(635)
Prepaid expenses	538	482
Total	8,353	4,664

*Represents the amount paid towards purchase of goods and are non-interest bearing.

Equity

14. Share capital	As at 31st March, 2020	As at 31st March, 2019
Authorised		
50,00,00,000 (31st March, 2019 : 50,00,00,000) equity shares of Re. 1 each	5,000	5,000
1,00,00,000 (31st March, 2019 : 1,00,00,000) cumulative redeemable preference shares of Rs. 50 each	5,000	5,000
Total	10,000	10,000
Issued, subscribed and fully paid-up		
30,47,41,780 (31st March, 2019 : 30,47,41,780) equity shares of Re. 1 each	3,047	3,047
Add: shares forfeited (amount originally paid-up)	7	7
Total	3,054	3,054

(a) Reconciliation of the number of shares and amount outstanding as at the beginning and at the end of the year :

		As at 31st March, 2020	As at 31st March, 2019
Number of equity shares outstanding at the beginning and end of the year	Numbers	30,47,41,780	30,47,41,780
Amount of equity shares outstanding at the beginning and end of the year	Amount Rs in lakhs	3,047	3,047

(b) 2,28,65,450 (31st March, 2019 : 2,29,40,450) equity shares of face value of Re 1 each are represented by Global Depository Receipts (GDRs). Each GDR represents five underlying equity shares.

(c) Rights, preference and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share (except in case of GDRs). The holders of GDRs do not have voting right with respect to shares. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive residual assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by each shareholder.

(d) Details of shares held by shareholders holding more than 5 % of the aggregate equity shares in the Company:

Name of the share holder	As at 31st March, 2020	As at 31st March, 2019
Equity shares of Re 1 each fully paid-up		
UMIL Share & Stock Broking Services Limited	3,98,06,236	3,88,88,369
% holding	13.06%	12.76%
Deutsche Bank Trust Company Americas #	2,28,65,450	2,29,40,450
% holding	7.50%	7.53%
Peterhouse Investments India Limited	1,96,53,829	2,07,67,330
% holding	6.45%	6.81%
Usha Martin Ventures Limited	2,00,27,588	2,06,27,588
% holding	6.57%	6.77%
Peterhouse Investments Limited #	2,24,04,919	2,44,71,455
% holding	7.35%	6.23%

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

As on 31st March, 2020, 45,73,090 GDRs (representing 2,28,65,450 underlying equity shares) is with Deutsche Bank Trust Company Americas (depository). Peterhouse Investments Limited holds 2,24,04,919 equity shares and 16,85,691 GDRs (representing 84,28,455 underlying equity shares) and Kenwyn Overseas Limited holds 1,43,64,680 equity shares and 19,63,025 GDRs (representing 98,15,125 underlying equity shares).

As on 31st March, 2019, 45,88,090 GDRs (representing 2,29,40,450 underlying equity shares) is with Deutsche Bank Trust Company Americas (depository). Peterhouse Investments Limited holds 2,44,71,455 equity shares and 16,85,691 GDRs (representing 84,28,455 underlying equity shares) and Kenwyn Overseas Limited holds 1,43,64,680 equity shares and 19,63,025 GDRs (representing 98,15,125 underlying equity shares).

(e) No shares have been allotted without payment of cash or by way of bonus shares during the period of five years immediately preceding the Balance Sheet date.

15. Other equity	As at 31st March, 2020	As at 31st March, 2019
Securities premium (Securities premium represents the premium on issue of shares and can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013)	85,584	85,584
Capital reserve (Capital reserve represents mainly state capital subsidy received from different state Governments)	668	668
Capital redemption reserve (Capital redemption reserve is created on redemption of preference shares as per statutory requirement and can be utilised in accordance with the provisions of the Companies Act, 2013)	6,631	6,631
General reserve (Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.)	54,439	54,439
Legal reserve (Represents statutory amount set aside as per Limited Public Company Act, Thailand and can be utilised in accordance with the provisions of the said Act)	265	265
Retained earnings (Retained earnings represent the cumulative profit / (loss) of the Group and effects of re-measurement of defined benefit obligations and can be utilised in accordance with the provisions of the Companies Act, 2013)	(41,352)	(82,258)
Foreign currency translation reserve (This reserve contains accumulated balance of foreign exchange differences from translation of the financial statements of the Group's foreign operations arising at the time of consolidation of such entities. Such foreign exchange differences are recognised in OCI. Exchange differences previously recognised in this reserve are reclassified to profit and loss on disposal of foreign operations)	7,110	3,468
Other reserves (Represent money received against equity warrants earlier forfeited and can be utilised in accordance with the provisions of the Companies Act, 2013)	6,350	6,350
Total	1,19,695	75,147

Non - current liabilities

16. Financial liabilities	As at 31st March, 2020	As at 31st March, 2019
(i) Borrowings (at amortised cost)		
(a) Secured		
Term loans		
- Banks (Rupee loans)	25,038	2,07,960
- Banks (Foreign currency loans)	5,445	2,649
-Financial institution (Rupee loan)	-	19,750
(b) Unsecured		
-From a body corporate (Rupee loan)	35	196
Finance lease obligation	-	27
Hire purchase obligation	-	15
Total*	30,518	2,30,597
Aggregate secured borrowings	30,483	2,30,359
Aggregate unsecured borrowings	35	238

* Net of unamortised borrowing cost of Rs. 436 lakhs (31st March, 2019 : Rs. 370 lakhs) against term loans from banks.

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

	Term loans	Nature of security	As at 31st March, 2020	As at 31st March, 2019
	From banks (Rupee loans)			
(i)	State Bank of India [note (a) below]	A, B, C, D	-	83,231
(ii)	ICICI Bank Limited [note (b) below]	A, D	4,498	7,498
(iii)	ICICI Bank Limited [note (c) below]	A, B, C, D	8,381	9,151
(iv)	ICICI Bank Limited [note (d) below]	A, B	9,075	-
(v)	IndusInd Bank Limited [note (e) below]	A, B	3,084	-
(vi)	ICICI Bank Limited [note (f) below]	A, D	-	10,000
(vii)	State Bank of India [note (f) below]	A, D	-	12,500
(viii)	State Bank of India [note (f) below]	A, B, C, D	-	56,481
(ix)	HDFC Bank Limited [note (f) below]	A, B, D	-	1,716
(x)	Bank of Baroda [note (f) below]	A, B, D	-	10,312
(xi)	Axis Bank Limited [note (f) below]	A, B, C, D	-	16,138
(xii)	IndusInd Bank [note (g) below]	E, F	-	933
			25,038	2,07,960
	From banks (Foreign currency loans)			
(xiii)	Rabo Bank [note (h) below]	G	2,369	2,394
(xiv)	Barclays Bank [note (i) below]	H	-	255
(xv)	CIMB Bank [note (j) below]	I	3,053	-
(xvi)	UMAI Bank [note (k) below]	J	23	-
			5,445	2,649
	From financial institutions			
(xvii)	Export Import Bank of India [note (f) below]	A, B, C, D	-	19,750
(xviii)	Loan from a body corporate (unsecured) [note (o) below]		35	196
(ixx)	From others [note (m) below]		-	27
(xx)	From others [note (n) below]		-	15
	Total		35	19,988
			30,518	2,30,597

Loan covenants

Bank loans contain certain debt covenants relating to net debt to EBITDA, debt service coverage ratio, fixed assets coverage ratio etc. The Company has complied with all debt covenants stipulated in the terms of bank loan during the year.

Nature of security

- A Secured by a first pari-passu charge by hypothecation/mortgage over all the property, plant and equipment (present and future) of the Company other than the assets exclusively charged to other lenders and second pari-passu charge in favour of lenders of working capital loans.
- B Secured by a second charge on entire current assets of the Company (present and future), pari-passu with other term lenders.
- C Secured by personal guarantee of Managing Director of the Company.
- D Secured by pledge of promoter's holding to the extent of 26% equity in the Company on pari-passu basis.
- E Secured by a first pari-passu charge by hypothecation over all the movable property, plant and equipment (present and future) and also a first pari-passu charge by mortgage over land and other immovable properties (present and future) of UM Cables Limited excluding the assets exclusively charged to other lenders.
- F Secured by a second charge on entire current assets of UM Cables Limited (present and future), pari-passu with other term lenders.
- G Secured by a first pari-passu charge by mortgage over land and other immovable properties (present and future) of De Ruiter Staalkabel B.V., subsidiary of Usha Martin International Limited.
- H Secured by a first pari-passu charge by mortgage over land and other

immovable properties (present and future) of Usha Martin International Limited.

- I Secured by a portion of land, buildings and structures, plant and machinery and equipment of Usha Martin Singapore Pte. Limited.

- J Secured against assets procured from proceeds of borrowings.

Secured term loan - interest rate and terms of repayment

- (a) Out of the rupee term loan from a bank amounting to Rs. 83,231 lakhs as at 31st March, 2019, Rs.25,076 lakhs was prepaid and the balance amount of loan for Rs. 58,155 lakhs was repaid at stipulated repayment dates during the year.
- (b) Out of the rupee term loan from a bank amounting to Rs. 7,498 lakhs as at 31st March, 2019, Rs.2,500 lakhs was prepaid and the balance amount of loan for Rs. 4,498 lakhs is repayable in seven quarterly instalments up to 30th September, 2022. Interest is payable on monthly basis at one year marginal cost of fund of the bank plus 2.15% p.a.
- (c) Rupee term loan from a bank amounting to Rs. 8,381 lakhs (31st March, 2019 : Rs. 9,151 lakhs) is repayable in nineteen quarterly instalments from 30th June, 2021 to 31st December, 2025. Interest is payable on monthly basis at one year marginal cost of fund of the bank plus 2.15% p.a.
- (d) Rupee term loan from a bank amounting to Rs. 9,075 lakhs (31st March, 2019 : Rs. Nil) is repayable in seventeen quarterly instalments from 30th June, 2021 to 30th June, 2025. Interest is payable on monthly basis at one year marginal cost of fund of the bank plus 1.60% p.a.
- (e) Rupee term loan from a bank amounting to Rs. 3,084 lakhs (31st March, 2019 : Rs. Nil) is repayable in thirteen quarterly instalments from 8th April, 2021 to 8th April, 2024. Interest is payable on monthly basis at one year marginal cost of fund of the bank plus 1.10% p.a.

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

- (f) These loans have been prepaid by the Company on 11th of April, 2019.
- (g) Rupee term loan from a bank amounting to Rs. 933 lakhs as at 31st March, 2019 has been prepaid during the financial year.
- (h) Foreign currency term loan from a bank amounting to Rs. 2,369 lakhs (31st March, 2019 : Rs. 2,394 lakhs) is repayable in one hundred and fifty three monthly instalments upto 31st December, 2033. Interest is payable on monthly basis at three month EURIBOR plus 2.1% p.a.
- (i) Foreign currency term loan from a bank amounting to Rs. 255 lakhs as at 31st March, 2019 has been repaid during the financial year.
- (j) Foreign currency term loan from a bank amounting to Rs. 3,053 lakhs (31st March, 2019 : Rs. Nil) is repayable in fifty seven monthly instalments from 1st April, 2021 to 10th December, 2025. Interest is payable on monthly basis at one month LIBOR plus 2.59%.
- (k) Foreign currency loan from bank amounting to Rs. 23 lakhs (31st March, 2019 : Rs. Nil) is repayable in forty nine monthly instalments upto 28th February, 2025. Interest is payable on monthly basis at 5.54% p.a.
- (l) Outstanding balances of loans and terms of repayment as indicated in (a) to (k) above are exclusive of current maturities of such loans as disclosed in Note 20(iii).

Finance lease obligation - interest rate and terms of repayment

(m) Finance lease obligation amounting to Rs. 27 lakhs as at 31st March, 2019 towards movable fixed assets is reclassified to lease liabilities as per Ind AS-116.

(n) Hire purchase obligation amounting to Rs. 15 lakhs as at 31st March, 2019 towards movable fixed assets is reclassified to lease liabilities as per Ind AS-116.

Unsecured loan from a body corporate - interest rate and terms of repayment

(o) Rupee loan from a body corporate amounting to Rs. 35 lakhs (31st March, 2019 : Rs. 196 lakhs) is repayable in quarterly instalments (comprising of various loans with different quarterly payment schedules). Interest is payable on quarterly basis at 11.81% p.a.

(ii)	Lease liabilities (at amortised cost)	As at 31st March, 2020	As at 31st March, 2019
	Lease liabilities	3,670	-
	Total lease liabilities	3,670	-
	Less : shown under current [refer note 20 (iii)]	-	-
	Non current lease liability	3,670	-
	Change in liabilities arising in financial activities		
	Beginning of the year	3,184	-
	On adoption of Ind AS-116	1,241	-
	Accretion of interest	127	-
	Less: payments	(444)	-
	End of the year	4,108	-
		As at 31st March, 2020	As at 31st March, 2019
(iii)	Other financial liabilities	19	-

Changes in liabilities arising from financing activities						
Particulars	1st April 2019	Cash flows	Exchange differences	EIR adjustment	Others*	31st March, 2020
Non current borrowings	2,30,555	(1,96,351)	-	382	(4,068)	30,518
Non current obligations under finance leases and hire purchase contracts	42	(42)	-	-	-	-
Current maturities of long term borrowings	40,489	(40,489)	-	-	4,068	4,068
Current maturities of finance lease obligation	20	(20)	-	-	-	-
Loans repayable on demand	59,603	(58,628)	-	-	-	975
Working capital loans from banks	16,822	12,654	-	-	(12,234)	17,242
Buyer's credit including acceptances from banks	2,882	1,352	-	-	-	4,234
Unsecured loan from a body corporate	3,400	(3,400)	-	-	-	-
Bill discounting #	14,259	(13,384)	-	-	-	875
Total liabilities from financing activities	3,68,072	(2,98,308)	-	382	(12,234)	57,912

include figures from continuing and discontinued operations (Rs. 11,595 lakhs).

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

Particulars	1st April 2018	Cash flows	Exchange differences	EIR adjustment	Others*	31st March, 2019
Non current borrowings	2,75,153	5,650	-	-	(50,206)	2,30,555
Non current obligations under finance leases and hire purchase contracts	112	-	-	-	(70)	42
Current maturities of long term borrowings	34,990	(44,993)	-	286	50,206	40,489
Current maturities of finance lease obligation	19	(68)	(1)	-	70	20
Loans repayable on demand	49,096	10,507	-	-	-	59,603
Working capital loans from banks	9,910	6,912	-	-	-	16,822
Buyer's credit including acceptances from banks	14,032	(11,150)	-	-	-	2,882
Unsecured loan from a body corporate	-	3,400	-	-	-	3,400
Bill discounting #	23,951	(9,692)	-	-	-	14,259
Total liabilities from financing activities	4,07,263	(39,434)	(1)	286	-	3,68,072

* Includes the effect of reclassification of non-current portion of borrowings.

include figures from continuing and discontinued operations (Rs. 11,595 lakhs).

17. Provisions	As at 31st March, 2020	As at 31st March, 2019
Provision for employee benefits		
Gratuity (refer note 35)	3,859	1,962
Leave encashment	59	56
Long service award (refer note 35)	95	87
Retirement compensation (refer note 35)	922	729
Total	4,935	2,834

18. Deferred tax liabilities (net)	As at 31st March, 2020	As at 31st March, 2019
Deferred tax assets (DTA)		
On expenses allowable against taxable income in future years	337	204
Total DTA	337	204
Deferred tax liabilities (DTL)		
Arising out of temporary difference in depreciable assets	2,381	2,135
Total DTL	2,381	2,135
Deferred tax liabilities (net)	2,044	1,931

Deferred tax assets and liabilities have been offset where they arise in the same legal entity and taxing jurisdiction but not otherwise.

At March 31st 2020, a deferred tax liability of Rs. 11,661 lakhs (March 31, 2019: Rs. 14,086 lakhs) in respect of temporary differences related to undistributed profit in subsidiaries has not been recognised because the Group controls the dividend policy of its subsidiaries and management is satisfied that they are not expecting to distribute profit in the foreseeable future.

Refer note 9 for reconciliation in respect of income tax expense applicable to accounting profits / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year.

19. Other non-current liabilities	As at 31st March, 2020	As at 31st March, 2019
Accruals for various obligations		
Excise/service tax/goods and service tax	1,518	61
Sales tax/entry tax	1,599	1,599
Other legal cases	15	15
Total	3,132	1,675

Current liabilities

20. Financial liabilities		
(i) Borrowings	As at 31st March, 2020	As at 31st March, 2019
Secured *		
Loans repayable on demand #	975	59,603
Working capital loans from banks ##	17,242	16,822
Buyer's credit including acceptance from banks ###	4,234	2,882
Unsecured loans		
From a body corporate	-	3,400
Bill discounting ####	875	2,664
Total	23,326	85,371

* **Nature of security** - Secured by first charge by way of hypothecation of all current assets of the Company. Further such loans from banks are also secured by charge on certain immovable properties, subject to first charge in favour of financial institutions and banks created/to be created in respect of any existing/future financial assistance/accommodation which has been/may be obtained by the Company. Further, these are secured against pledge of promoter's holding to the extent of 26% equity in the Company on pari-passu basis. The loans are repayable on demand and carry interest @ 10.05% to 11.45% p.a. payable at monthly rests. Apart from securities mentioned above, working capital from a bank is secured by personal guarantee of Managing Director of the Company.

Working capital loans from banks by a subsidiary company, Usha Siam Steel Industries Public Company Limited, covers promissory notes, packing credits and trust receipts. Working capital loans bears interest at the rate referenced to minimum overdraft rate per annum. Promissory notes bear interest at minimum lending rate per annum. Liabilities under trust receipt agreements carry interest at 4.00% per annum. The loan is secured by the mortgage of a portion of the Company's land, building and structures and property, plant and equipment. Further, savings deposits and fixed deposits have been pledged as collaterals against such credit facilities.

Borrowings under buyer's credit of a subsidiary company, Usha Siam Steel Industries Public Company Limited, represents short-term loans from a bank for settlements of raw materials acquired from the Company. Such loan bears interest (inclusive of withholding tax) at the 6-month LIBOR plus 4.5% per annum. These loans have been guaranteed by the Company.

The Group has discounted trade receivables on recourse basis. Accordingly, the monies received on this account are shown as borrowings as the trade receivable does not meet de-recognition criteria. These bills are discounted @ 7.00% to 8.00% p.a and are repayable within 180 days.

(ii) Trade payables (at amortised cost)	As at 31st March, 2020	As at 31st March, 2019
Total outstanding dues of micro and small enterprises (refer note 41)	307	93
Total outstanding dues of creditors other than micro and small enterprises	24,837	23,930
Acceptances	11,185	8,430
	36,022	32,360
Total	36,329	32,453

Trade payables are normally settled up to 365 day terms.

Acceptances represent arrangements whereby banks make direct payments to suppliers of raw materials. The banks are subsequently repaid by the Company at a later date providing working capital timing benefits. Where these arrangements are for raw materials and have a maturity of upto the credit period contracted with the suppliers, the economic substance of the transaction is considered to be operating in nature and included under "Trade payables".

Acceptances payable to banks carry interest @ 8.50% to 9.00% p.a. and are secured by hypothecation of all current assets of the Company. Further such acceptances are also secured by charge on certain movable & immovable properties, subject to first charge in favour of financial institutions and banks created/to be created in respect of any existing/future financial assistance/accommodation which has been/may be obtained by the Company. Further, in respect of acceptances from a bank, these are secured against pledge of promoter's holding to the extent of 26% equity in the Company on pari-passu basis. In respect of acceptances from another bank, personal guarantee of Managing Director has been given.

Refer note 38B for explanations on the Group's liquidity risk management processes.

(iii) Lease liabilities	As at 31st March, 2020	As at 31st March, 2019
Lease liabilities	438	-

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

(iv) Other financial liabilities	As at 31st March, 2020	As at 31st March, 2019
Derivatives not designated as hedges		
Foreign exchange forward contracts #	397	49
Other financial liabilities at amortised cost		
Current maturities of long-term borrowings ###	4,068	40,489
Current maturities of finance lease obligation ^	-	20
Interest accrued but not due on borrowings	202	3,497
Interest accrued on trade payables and others	182	186
Unclaimed dividends ##	3	3
Security deposits received	326	395
Liability towards project vendors (including acceptances)	2,808	5,198
Payable relating to coal mines	1,384	1,384
Employees benefits payable @	2,189	2,836
Other payables	1,887	1,478
Total	13,446	55,535

@ Includes payable to key management personnel Rs Nil (31st March, 2019 : Rs 27 lakhs)[refer note 36(iii)]

^ Regrouped to lease liabilities.

Financial liabilities at fair value through profit and loss

Derivative instruments at fair value through profit and loss reflect the negative change in fair value of those foreign exchange forward contracts that are not designated as hedge relationships. Refer note 38B for details regarding the nature and extent of risks arising from financial instruments to which the Group is exposed at the end of the reporting year.

There are no amount due for payment to the Investor Education and Protection Fund under Section 125C of the Companies Act, 2013 as at the year end.

Interest rate, nature of security and terms of repayment are:

	Term Loan (secured)	Nature of security	As at 31st March, 2020	As at 31st March, 2019
	From banks (Rupee loans)			
(i)	ICICI Bank Limited [note (a) below]	A, B, C, D	800	700
(ii)	ICICI Bank Limited [note (b) below]	A, D	500	2,625
(iii)	ICICI Bank Limited [note (c) below]	A, B	750	-
(iv)	IndusInd Bank Limited [note (d) below]	A, B	1,000	-
(v)	State Bank of India [note (e) below]	A, D	-	6,248
(vi)	State Bank of India [note (e) below]	A, B, C, D	-	5,373
(vii)	State Bank of India [note (e) below]	A, B, C, D	-	6,300
(viii)	HDFC Bank Limited [note (e) below]	A, B, D	-	285
(ix)	RBL Bank Limited [note (e) below]	A, B, D	-	7,300
(x)	Bank of Baroda [note (e) below]	A, B, D	-	2,063
(xi)	ICICI Bank Limited [note (e) below]	A, D	-	5,000
(xii)	Axis Bank Limited [note (e) below]	A, B, C, D	-	1,850
(xiii)	IndusInd Bank [note (f) below]	E, F	-	665
			3,050	38,409
	From banks (Foreign currency loans)			
(xiv)	CIMB Bank [note (g) below]	I	644	589
(xv)	Barclays Bank [note (h) below]	H	-	509
(xvi)	RABO Bank [note (i) below]	G	187	175
			831	1,273
			3,881	39,682
	From financial institution (Rupee loan)			
(xvi)	Export Import Bank of India [note (e) below]	A, B, C, D	-	250
			-	250
(xvii)	Unsecured loan From a body corporate -Rupee loan [note (j) below]	K	187	557
			187	557
	Total		4,068	40,489
	Aggregate secured borrowings		3,881	39,932
	Aggregate unsecured borrowings		187	557

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

Nature of security

- A Secured by a first pari-passu charge by hypothecation/mortgage over all the property, plant and equipment (present and future) of the Company other than the assets exclusively charged to other lenders and second pari-passu charge in favour of lenders of working capital loans.
- B Secured by a second charge on entire current assets of the Company (present and future), pari-passu with other term lenders.
- C Secured by personal guarantee of Managing Director of the Company.
- D Secured by pledge of promoter's holding to the extent of 26% equity in the Company on pari-passu basis.
- E Secured by a first pari-passu charge by hypothecation over all the movable property, plant and equipment (present and future) and also a first pari-passu charge by mortgage over land and other immovable properties (present and future) of UM Cables Limited excluding the assets exclusively charged to other lenders.
- F Secured by a second charge on entire current assets of UM Cables Limited (present and future), pari-passu with other term lenders.
- G Secured by a first pari-passu charge by mortgage over land and other immovable properties (present and future) of De Ruiters Staalkabel B.V., subsidiary of Usha Martin International Limited.
- H Secured by a first pari-passu charge by mortgage over land and other immovable properties (present and future) of Usha Martin UK, subsidiary of Usha Martin International Limited.
- I Secured by a first pari-passu charge by mortgage over land and other immovable properties (present and future) of Usha Martin Singapore Pte. Limited.

Secured term loan - interest rate and terms of repayment

- (a) Rupee term loan from a bank amounting to Rs. 800 lakhs (31st March, 2019 : Rs. 700 lakhs) is repayable in four quarterly instalments from 30th June, 2020 to 31st March, 2021. Interest is payable on monthly basis at base rate of the bank plus 2.15% p.a.
- (b) Rupee term loan from a bank amounting to Rs. 500 lakhs (31st March,

2019 : Rs. 2,625 lakhs) is repayable in instalment on 31st March, 2021. Interest is payable on monthly basis at base rate of the bank plus 2.15% p.a.

- (c) Rupee term loan from a bank amounting to Rs. 750 lakhs (31st March, 2019 : Rs. Nil) is repayable in three quarterly instalments from 30th September, 2020 to 31st March, 2021. Interest is payable on monthly basis at base rate of the bank plus 1.60% p.a.
- (d) Rupee term loan from a bank amounting to Rs. 1000 lakhs (31st March, 2019 : Rs. Nil) is repayable in four quarterly instalments from 8th April, 2020 to 8th January, 2021. Interest is payable on monthly basis at base rate of the bank plus 1.10% p.a.
- (e) These loans have been prepaid by the Company on 11th of April, 2019.
- (f) Rupee term loan from a bank amounting to Rs.665 lakhs as at 31st March, 2019 has been prepaid during the financial year.
- (g) Foreign currency term loan from a bank amounting to Rs. 644 lakhs (31st March, 2019 : Rs. 589 lakhs) is repayable in twelve monthly instalments from 1st April, 2020 to 31st March, 2021. Interest is payable on monthly basis at one month LIBOR plus 2.59% p.a.
- (h) Foreign currency term loan from a bank amounting to Rs.509 lakhs as at 31st March, 2019 has been prepaid during the financial year.
- (i) Foreign currency term loan from a bank amounting to Rs. 187 lakhs (31st March, 2019 : Rs. 175 lakhs) was repayable in twelve monthly instalments from 1st April, 2020 to 31st March, 2021. Interest was payable on monthly basis at three month EURIBOR plus 2.1% p.a.

Unsecured loan from a body corporate - interest rate and terms of repayment

- (j) Rupee loans from a body corporate amounting to Rs. 187 lakhs (31st March, 2019 : Rs. 557 lakhs) is repayable in quarterly instalments (comprising of various loans with different quarterly payment schedules) between 1st April, 2020 to 31st March, 2021. Interest is payable on quarterly basis at 11.81% p.a.
- @ Includes payable to key management personnel Rs Nil lakhs (31st March, 2019 : Rs 27 lakhs) [refer note 36(iii)].

21. Provisions	As at 31st March, 2020	As at 31st March, 2019
Provision for employee benefits		
Gratuity (refer note 35)	21	27
Leave encashment	788	677
Long service award (refer note 35)	4	5
Retirement compensation (refer note 35)	223	168
Total	1,036	877
22. Income tax liabilities (net)	As at 31st March, 2020	As at 31st March, 2019
Provision for income tax [net of taxes paid Rs.713 lakhs (31st March, 2019: Rs 713 lakhs)]	240	259
23. Other current liabilities	As at 31st March, 2020	As at 31st March, 2019
Contract liabilities *	3,873	3,337
Statutory dues payable #	2,305	4,249
Advance received against sale of land	33	15
Renewable power obligation	4,220	3,853
Total	10,431	11,454

*Contract liabilities are short-term advances received towards sale of goods and are non-interest bearing

Statutory dues primarily includes payable in respect of goods and services tax (GST), tax deducted at source etc.

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

24. Revenue from operations	Year ended 31st March, 2020	Year ended 31st March, 2019
Sale of goods	2,07,212	2,38,729
Sale/ rendering of services	3,099	3,738
Other operating revenue:		
Product scrap sales	2,877	4,045
Sale of captive power	420	440
Export incentives	1,774	1,873
Total	2,15,382	2,48,825

24A. Disaggregated Revenue Information	Year ended 31st March, 2020	Year ended 31st March, 2019
Set out below is the disaggregation of the Group's revenue from contracts with customers:		
Wire and wire ropes	2,07,879	2,38,345
Others	7,503	10,480
Total revenue from operations	2,15,382	2,48,825
For reconciliation of the revenue from operations with the amounts disclosed in the segment information, refer note 37		
India	1,06,958	1,48,749
Outside India	1,08,424	1,00,076
Total revenue from operations	2,15,382	2,48,825

24B. Timing of revenue recognition	Year ended 31st March, 2020	Year ended 31st March, 2019
Goods transferred at a point in time	2,12,283	2,45,087
Services rendered over time	3,099	3,738
TOTAL	2,15,382	2,48,825

24C. Contract Balances	Year ended 31st March, 2020	Year ended 31st March, 2019
Trade receivables [refer note 12(i)]	29,840	32,545
Contract liabilities (refer note 23)	3,873	3,337

Trade receivables are generally on terms of 30 to 90 days. In March 2020, Rs. 928 (31st March, 2019: Rs. 523) was recognised as allowance for credit impaired trade receivables.

Contract liabilities include advances received to deliver goods or services. The outstanding balances of these accounts increased in 2019-20 as compared to 2018-19 with increase in the Group's customer base.

24D. Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted prices	Year ended 31st March, 2020	Year ended 31st March, 2019
Revenue as per contracted prices	2,16,788	2,50,392
Less: discount/volume rebates	1,406	1,567
Revenue from contract with customers	2,15,382	2,48,825

24E. The Group has recognised the following revenue-related contract liabilities and receivables from contract with customers	Year ended 31st March, 2020	Year ended 31st March, 2019
Amounts included in contract liabilities at the beginning of the year	3,337	4,328
Less : Revenue recognised against the opening contract liability on satisfaction of performance obligations	7,484	8,152
Add: Advance received during the year	7,999	7,151
Add: Exchange difference	21	10
Amounts included in contract liabilities at the end of the year	3,873	3,337

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

24F. Performance obligations		
The performance obligation is satisfied upon delivery of the goods and payment is generally due within 90 days from delivery. Some contracts provide eligible customers with volume rebates which give rise to variable consideration subject to constraint.	Year ended 31st March, 2020	Year ended 31st March, 2019
The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31st March, 2020 are, as follows:	53,903	56,901
0-1 Months	16,840	17,363
1-3 Months	8,955	7,969
3-6 Months	4,431	4,220
More than 6 months	23,677	27,349
All the performance obligations are expected to be recognised within one year.		

25. Other income	Year ended 31st March, 2020	Year ended 31st March, 2019
Miscellaneous scrap sales	84	67
Exchange differences (net)	1,080	-
Gain on derivative contracts / cancellation of forward contracts (net)	-	250
Liabilities no longer required written back	972	367
Allowance for credit impaired debts and advances no longer required written back	11	146
Claims received	486	15
Gain on disposal of property, plant and equipment (net)	1,613	-
Rent received	182	252
Interest income on financial assets carried at amortised cost	416	569
Miscellaneous income	491	437
Total	5,335	2,103

26. Cost of materials consumed	Year ended 31st March, 2020	Year ended 31st March, 2019
Opening Stock	16,325	13,694
Add: Purchases	1,18,976	1,61,258
	1,35,301	1,74,952
Less: Closing stock	20,345	16,325
Cost of materials consumed *	1,14,956	1,58,627

* Cost of materials consumed includes packing materials amounting to Rs 3,472 lakhs (31st March, 2019 : Rs. 3,629 lakhs)

27. (Increase) / decrease in inventories of finished goods, work-in-progress, stock-in-trade and scrap/by-product	Year ended 31st March, 2020	Year ended 31st March, 2019
(A) Finished goods		
Opening stock	24,594	24,108
Less : closing stock	27,394	24,594
Adjustment on account of discontinued operations	(670)	(325)
	(3,470)	(811)
(B) Work-in-progress		
Opening stock	21,390	14,126
Less : closing stock	10,684	21,390
Adjustment on account of discontinued operations	(124)	(273)
	10,582	(7,537)
(C) Stock-in-trade		
Opening stock	96	44
Less : Closing stock	110	96
Adjustment on account of discontinued operations	-	2
	(14)	(50)
(D) Scrap/by-product		
Opening stock	199	503
Less : Closing stock	558	199
Adjustment on account of discontinued operations	(5)	(1)
	(364)	303
Net (Increase) / decrease in inventories [(A) + (B) + (C) + (D)]	6,734	(8,095)

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

28. Employee benefits expenses	Year ended 31st March, 2020	Year ended 31st March, 2019
Salaries, wages and bonus	28,182	25,434
Contribution to provident and other funds (refer note 35)	1,399	1,317
Gratuity expense (refer note 35)	349	400
Staff welfare expenses	676	740
Total	30,606	27,891

29. Finance costs	Year ended 31st March, 2020	Year ended 31st March, 2019
Interest expense on financial liabilities measured at amortised cost	6,247	10,504
Interest on lease liabilities	127	-
Other borrowing costs (includes letter of credit opening and retirement charges, loan processing fees etc.)	1,044	849
Total	7,418	11,353

30. Depreciation and amortisation expenses	Year ended 31st March, 2020	Year ended 31st March, 2019
Depreciation of property, plant and equipment (refer note 3)	5,520	5,684
Depreciation on investment properties (refer note 4)	39	38
Amortization of intangible assets (refer note 5)	367	364
Amortization of right-of-use assets (refer note 6)	436	-
Total	6,362	6,086

31. Other expenses	Year ended 31st March, 2020	Year ended 31st March, 2019
Consumption of stores and spare / loose tools	3,476	3,421
Operations and maintenance :		
Plant and machinery	3,927	3,802
Buildings	252	261
Power and fuel [refer note (i) below]	11,951	12,646
Freight and forwarding charges	8,786	8,844
Rent and hire charges	700	969
Rates and taxes	535	578
Insurance	621	529
Travelling and conveyance	1,205	1,028
Directors' sitting fees	34	21
Remuneration to auditors [refer note (iii) below]	296	233
Allowance for credit impaired debts and advances	859	294
Bad Debts / advances written off	351	182
Less: adjusted against provision for credit impaired debts and advances	-	14
Material handling charges	462	435
Processing charges	51	141
Corporate social responsibility (CSR) expenditure [refer note (ii) below]	11	19
Loss on sale of property, plant and equipment (net) *	-	361
Consultants and professional fees	1,212	319
Exchange differences (net)	404	157
Miscellaneous expenses [refer note (iv) below]	3,991	3,971
Total	39,124	38,197

* For the year ended 31st March, 2019, Rs. 1,096 lakhs on account of loss on sale of a assets related to steel business of a subsidiary company has been netted off with profit on sale of Agra plant of Rs.612 lakhs

(i) The following expenses are included in power and fuel expenses in the Statement of Profit and Loss :	Year ended 31st March, 2020	Year ended 31st March, 2019
Consumption of stores and spares / loose tools	191	119
Material handling charges	127	127
Operations and maintenance: plant and machinery	322	333
Operations and maintenance: buildings	4	6
Miscellaneous expenses	27	24
Total	671	609

(ii) Details of CSR expenditure	Year ended 31st March, 2020	Year ended 31st March, 2019
a) Gross amount required to be spent by the group during the year	11	19
b) Amount spent during the year		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	11	19
Total	11	19

(iii) Remuneration to auditors comprises of :	Year ended 31st March, 2020	Year ended 31st March, 2019
As auditor:		
As auditor - for statutory audit and limited reviews	222	196
Tax audit fee	24	11
Other matters	41	20
Reimbursement of expenses	9	6
Total	296	233

(iv) Research and development costs that are not eligible for capitalisation have been expensed during the year amounting to Rs. 340 lakhs (31st March, 2019: Rs 396 lakhs), and they are recognised in miscellaneous expenses.

32. Earnings / (loss) per equity share (EPS)	Year ended 31st March, 2020	Year ended 31st March, 2019
The following reflects the income and share data used in the basic and diluted EPS computations :		
Net profit /(loss) before OCI attributable to equity holders for basic and diluted EPS from continuing operations (a)	(6,214)	39,201
Net profit /(loss) before OCI attributable to equity holders for basic and diluted EPS from discontinued operations (b)	48,322	(34,271)
Profit for the period [(c) = (a) + (b)]	42,108	4,930
Weighted average number of equity share outstanding for the purpose of basic and diluted EPS	30,47,41,780	30,47,41,780
Basic and diluted earnings / (loss) per equity share from continuing operations (Rs.) *	(2.11)	12.82
Basic and diluted earnings / (loss) per equity share from discontinued operations (Rs.)	15.86	(11.25)
Basic and diluted earnings / (loss) per equity share from continuing and discontinued operations (Rs.)	13.75	1.57
Nominal value per share (Re.)	1	1

* During the year ended March 31, 2019, the Company had recognised net deferred tax assets (DTA) of Rs. 23,846 lakhs as part of continuing business arising from unabsorbed depreciation and brought forward business losses that would be available to the continuing business for set off against long-term capital gain (LTCG) that would arise from sale of SBB Business and against future taxable income of the continuing business. Pursuant to sale of SBB business during the year ended March 31, 2020, the Company has utilised such deferred tax assets against LTCG arising from sale of SBB Business. Management believes that balance DTA of Rs. 4,293 lakhs will be recovered against future taxable income arising from the continuing business. The earnings per share of continuing operations for the year ended March 31, 2020 are hence not comparable with the earnings per share of the previous periods reported.

Earnings per share from discontinued operations as disclosed in these financial statements have been determined taking into consideration the profit from sale of SBB Business as stated in Note 39 (ii)

There have been no other transactions involving equity shares between the reporting date and the date of authorisation of these financial statements.

33. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts and the disclosures. The Group based its assumptions and estimates on parameters available when the financial statements were prepared and these are reviewed at each Balance Sheet date. Uncertainties about these assumptions and estimates including those relating to the on-going

COVID-19 pandemic as explained in Note 44 could result in outcomes that may require a material adjustment to the reported amounts and disclosures. Other disclosures relating to the Group's exposure to risks and uncertainties includes:

- Capital management (refer note 38D)
- Financial risk management objectives and policies (refer note 38B)
- Sensitivity analyses disclosures (refer note 35).

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

(i) Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise

the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset). The Group included the renewal period as part of the lease term for leases of plant and machinery with shorter non-cancellable period (i.e., three to five years). The Group typically exercises its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of plant and machinery with longer non-cancellable periods (i.e., 10 to 15 years) are not included as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Property lease classification – Group as lessor

The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

(ii) Revenue from contracts with customers

The Group applied the judgement of determining method to estimate variable consideration and assessing the constraint that significantly affect the determination of the amount and timing of revenue from contracts with customers.

Certain contracts for the sale of goods include volume rebates that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled. In estimating the variable consideration for the sale of goods with volume rebates, the Group determined that the most likely amount method is appropriate."

(iii) Discontinued operations [refer note 39(ii)]

The Steel and Bright Bar Business (SBB Business) included only those assets and liabilities (including contingencies) that were to be acquired by the Purchaser under the terms of the BTA subject to the amendments and substitution vide Supplemental BTA (assumed assets, assumed liabilities and assumed litigations).

The assumed assets and assumed liabilities, related income and expenses and allocated expenses including interest cost and corporate shared service expenses pertaining to SBB Business till date of its disposal has been considered for determining assets/liabilities held for sale and results of discontinued operations in accordance with recognition and measurement principles as prescribed by Ind AS 105 : Non-current assets held for sale and discontinued operations.

As per BTA subject to the amendments and substitution vide Supplemental BTA, "Bright Bar Unit" means all the plant and machinery pertaining to the bright bar business of the Company located at Ranchi and Chennai respectively. Accordingly, only plant and machinery pertaining to the bright bar business of the Company located at Ranchi and Chennai has been considered. All long-term borrowings including current maturities and short term borrowings representing working capital loans and loans repayable on demand are not assumed liabilities of discontinued operations under the terms of BTA.

Assets, liabilities, income and expenses recognised in the SBB Business are those which are directly attributable to these Business and are based on the books of account and underlying accounting records maintained by the SBB Business.

Pursuant to the terms of the BTA, certain assets pertaining to SBB Business are pass through in nature (i.e. the beneficial ownership of these assumed assets continued to be with the Company) such as export incentives receivable, claims receivables, deposit for fuel surcharge matter/electricity

matter and deposit for a legal mining case which would be transferred immediately to the Company by the Purchaser whenever received post-closing date. Consequently, such receivables have been retained by the Company and is forming part of the continuing operations.

As per BTA subject to the amendments and substitution vide Supplemental BTA, the costs that may have to be incurred for transfer of plant and machinery of Bright Bar Business from their current location to the Purchaser's premises and other transaction costs in respect of appraisal cost, professional fees, documentation, legal expenses, counsel's fees etc. will not be borne by the SBB Business.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(i) Useful economic lives of property, plant and equipment and impairment considerations

Property, plant and equipment are depreciated over their useful economic lives. Management reviews the useful economic lives at least once a year and any changes could affect the depreciation rates prospectively and hence the asset carrying values. The Group also reviews its property, plant and equipment, for possible impairment if there are events or changes in circumstances that indicate that carrying values of the assets may not be recoverable. In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits such as changes in commodity prices, the Group's business plans and changes in regulatory environment are taken into consideration.

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The carrying value of the assets of a cash generating unit (CGU) is compared with the recoverable amount of those assets, that is, the higher of fair value less costs of disposal and value in use. Recoverable value is based on the management estimates of commodity prices, market demand and supply, economic and regulatory climates, long-term plan, discount rates and other factors. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of the assets.

"The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment."

(ii) Taxes

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit

will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits and business developments together with future tax planning strategies.

(iii) Defined benefit plans

The cost and the present value of the defined benefit gratuity plan and long term service award are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. 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. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of Government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality table. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

(iv) Revenue recognition - estimating variable consideration for volume rebates

The Group estimates variable considerations to be included in the transaction price for the sale of goods with volume rebates. Determining whether a customer will be likely entitled to rebate will depend on the customer's historical rebates entitlement and accumulated purchases to date. Estimates of volume rebates are sensitive to changes in circumstances and the Group's past experience regarding rebate entitlements may not be representative of customers' actual rebate entitlements in the future.

(v) Leases - estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Group estimates the IBR using observable inputs (such as market interest rates) when available.

(vi) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Group has capital commitments in relation to various capital projects which are not recognized on the Balance Sheet. In the normal course of

business, contingent liabilities may arise from litigation and other claims against the Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

(vii) Non-current assets held for sale

Assets and liabilities of non-current assets held for sale are measured at the lower of carrying amount and fair value less cost to sale. The determination of fair value less costs to sale include use of management estimates and assumptions. The fair value has been estimated using valuation techniques (including income and market approach) which includes unobservable inputs.

(viii) Valuation of inventories

The Group follows suitable provisioning norms for writing down the value of slow-moving, non-moving and surplus inventory. This involves various judgements and assumptions that may differ from actual developments in the future.

34. Commitments and contingencies

A1 Leases

Group as lessee

(i) The Group as a lessee has entered into various lease contracts, which includes lease of land, office space, employee residential accommodation, equipments such as forklift, hydra etc, vehicles, guest house etc. Before the adoption of Ind AS 116 : Leases, the Group classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Generally, the Group is restricted from assigning and subleasing the leased assets. There are lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in aligning with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised, The Group has certain leases of office space, employee residential accommodation, guest house etc with lease terms of 12 months or less. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the net carrying amounts of right-of-use assets recognised in Balance Sheet and the movement during the year:

	Land #	Building ##	Plant and equipment ###	Office equipment ###	Vehicle*	Total
As at 31st March, 2019	-	-	-	-	-	-
Addition during the year	3,189	892	39	3	200	4,323
Transfer in from property, plant and equipment	58	-	33	3	79	173
Exchange difference on consolidation	31	156	-	-	14	201
Less : depreciation/amortisation	151	222	14	-	49	436
As at 31st March, 2020	3,127	826	58	6	244	4,261

Represents unamortised leasehold rights

Represents office space taken on lease

Represents equipments such as forklift, hydra etc taken on lease

* Represents vehicles purchased on finance lease

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

(ii) Set out below are the carrying amounts of lease liabilities and the movement during the year:

	As at 31st March, 2020	As at 31st March, 2019
Balance as at beginning of the year	3,184	-
Addition	1,241	-
Accretion of interest	127	-
Less : payments	444	-
Balance as at the end of the year	4,108	-
Current	438	-
Non-current	3,670	-

(iii) Amounts recognised in the Statement of Profit and Loss

	Year ended 31st March, 2020	Year ended 31st March, 2019
Amortisation expense of right-of-use assets (recognised in depreciation and amortization expenses)	436	-
Interest expense on lease liabilities (recognised in finance costs)	127	-
Expense relating to short-term leases (included in rent and hire charges)	700	969
Total amount recognised in Statement of Profit and Loss for the year	1,263	969

(iv) Amount recognised in the Statement of Cash Flows

Total cash outflow for the leases	444	-
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(v) The Group has total cash outflows for leases for the year ended 31st March 2020 amounting to Rs. 444 lakhs (31st March, 2019 : Nil).

	As at 31st March, 2020	As at 31st March, 2019
A2 Commitments		
(i) Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	525	459
(ii) Other commitments		
Export obligations against the import licenses taken for import of capital goods under the Export Promotion Capital Goods Scheme. The Company is reasonably certain to receive the discharge certificates in respect of its pending export obligations, hence it does not anticipate a liability with respect to its obligations	1,17,500	1,46,000
(iii) Guarantees		
(a) Corporate guarantee given by the Company to banks / third parties to secure the financial assistance / accommodation extended on behalf of subsidiaries. The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.	58	6,762
(b) The Company has provided a letter of comfort to a bank that has provided credit facilities to its joint venture, Pengg Usha Martin Limited. Such facilities have been utilised to the extent of Rs. 2,986 lakhs as at 31st March, 2020 (Rs 3,659 lakhs as at 31st March, 2019) by the joint venture company. Vide the letter of comfort, the Company has provided an undertaking not to dispose off its investment in that joint venture company and to provide full support to its operations.	-	-
(iv) Bank guarantees		
The Group has given bank guarantees details of which are as below:		
In favour of various parties against various contracts	963	1,844

The Group has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

C. Contingent liabilities	As at 31st March, 2020	As at 31st March, 2019
Claims against the Group not acknowledged as debt * ## ^		
Demand for income tax matters	2,313	3,107
Demand for sales tax, entry tax and electricity duty **	4,652	11,015
Demand for excise duty and service tax	13,685	14,266
Demand for customs duty	2,068	2,139
Demand for Goods and Service Tax	487	443
Outstanding labour disputes	39	78
Demand for fuel surcharge matter and delayed payment surcharge pending with appropriate authority	10,980	10,980
Demand for mining matter pending with High Court of Jharkand #	2,862	2,862
Demand for compensation on account of mining and dump /infrastructure/colony established outside approved mining lease area	1,710	1,710
Demand for financial assurance amount in Escrow account	226	226
Disputed claims by parties not acknowledged as debt by the Group	5,276	5,347
Demand for land rent etc. by Adityapur Industrial Development Authority	-	8,641

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

** Includes demand aggregating to Rs. 1,730 lakhs (31st March, 2019 : Rs. 3,214 lakhs) received by the Company towards entry tax in West Bengal and Punjab. Subsequent to the decision of the Hon'ble Supreme Court of India, vide order dated 11th November, 2016, upholding the rights of State Governments to impose entry tax, the Company has filed petitions before the Hon'ble High Courts of the aforesaid States and also Jharkhand on grounds that entry tax imposed by respective State legislations is discriminatory in nature. Pending decisions by the Hon'ble High Courts, the Company's obligation, if any, towards entry tax is not ascertainable. Based on legal opinion obtained, management believes that there will be no resultant adverse impact on the Company.

The Company had given an undertaking to deposit Rs. 1,922 lakhs in six instalments in terms of the order of the Hon'ble High Court of Jharkhand. Against the same, the Company has deposited an amount of Rs. 1,922 lakhs upto 31st March, 2020.

Pending necessary clarification, the Group has complied with the order of the Hon'ble Supreme Court of India regarding applicability of Employees' Provident Funds & Miscellaneous Provisions Act, 1952 to certain fixed elements of remuneration paid/payable to employees with effect from the date of such order, i.e., February 28, 2019. Any additional provision in respect of earlier periods will be recognised as and when further clarifications will be available.

* Future cash outflows in respect of the above matters are determinable only on receipt of judgments/decisions pending at various forums/authorities. Based on discussions with the solicitors/favourable decisions in similar cases/legal opinions taken by the Group, the management believes that the Group has a good chance of success in above mentioned matters and hence no provision there against is considered necessary.

^ Following were disclosed as part of discontinued operations as at 31st March, 2019, but has been retained by the Company as part of continuing operations:

	As at 31st March, 2019
Demand for Goods and Service Tax	443
Outstanding labour disputes	13
Demand for fuel surcharge matter and delayed payment surcharge pending with appropriate authority	4,190
Demand for mining matter is pending with appropriate authority	2,862

35. Post employment defined contribution plans and post employment defined benefit plans

(a) Post employment defined contribution plans	Year ended 31st March, 2020	Year ended 31st March, 2019
Amount recognised in the statement of profit and loss		
(i) Provident fund paid to the authorities *	128	113
(ii) Pension fund paid to the authorities	668	655
(iii) Superannuation fund - Contribution payable / paid to a Trust	247	229
Total	1,043	997

* Contribution towards Provident Fund for certain employees is made to the regulatory authorities. Such provident fund benefit is classified as defined contribution scheme as the Group does not carry any further obligations, apart from the contribution made on a monthly basis which is recognised as expense in the Statement of Profit and Loss, as indicated above.

(b) Post employment defined benefit plans

I. Gratuity plan (funded)

The Company and UM Cables Limited, an Indian subsidiary of the Group, has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with an insurance company.

II. Gratuity plan (unfunded)

Brunton Wolf Wire Ropes FZCO. Limited, an overseas subsidiary of the Group, provides for gratuity, a defined benefit retirement plan, covering its eligible employees. Pursuant to the plan, gratuity benefit equivalent to eligible salary for specified number of days for each year of completed service is paid to respective employees upon retirement, death or cessation of service. Vesting generally occurs upon completion of five years of service.

III. Long term service award (unfunded)

Employees of the Company rendering greater than twenty years of service will receive long service award on all causes of exit as per the Company's policy. The cost of providing benefits under this plan is determined by actuarial valuation using the projected unit credit method by independent qualified actuaries at the year end.

IV. Retirement compensation (unfunded)

Usha Siam Steel Industries Company Limited, an overseas subsidiary of the Group, provides for retirement compensation, a defined benefit plan, covering its employees. Pursuant to the plan, retirement compensation is paid to employees based on last drawn salary and length of service upon retirement, death or resignation. Vesting occurs upon completion of 120 days of service.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the above defined benefit plans:

A	Expenses recognised in the Statement of Profit & Loss	Year ended 31st March, 2020				Year ended 31st March, 2019			
		Gratuity (funded)	Gratuity (unfunded)	Long term service award	Retirement Compensation (unfunded)	Gratuity (funded)	Gratuity (unfunded)	Long term service award	Retirement Compensation (unfunded)
1	Current / past service cost	191	42	3	413	382	42	5	74
2	Net interest cost	99	17	5	24	221	15	5	15
3	Less: amount recognised in Statement of Profit and Loss- discontinued operations	-	-	-	-	(260)	-	(4)	-
4	Amount recognised in Statement of Profit and Loss in continuing operations (i)	290	59	8	437	343	57	6	89
Expenses recognised in other comprehensive income									
5	Remeasurement (gains)/losses on defined benefit plans								
	Arising from changes in experience	874	56	(6)	-	79	(26)	36	-
	Arising from changes in financial assumptions	620	-	4	28	105	-	2	-
	Return on plan assets greater/(lesser) than discount rate	6	-	-	-	-	-	-	-
	Less: amount recognised in current year-discontinued operations	-	-	-	-	(297)	-	(23)	-
5	Total (ii)	1,500	56	(2)	28	(113)	(26)	15	-
6	Total expense (i)+(ii)	1,790	115	6	465	230	31	21	89

B	Net asset / (liability) recognised in the balance sheet	As at 31st March, 2020		As at 31st March, 2019	
		Gratuity	Long term service award	Gratuity	Long term service award
1	Present value of defined benefit obligation	4,655	72	3,112	68
2	Fair value of plan assets	1,540	-	1,777	-
3	Net asset / (liability)	(3,115)	(72)	(1,335)#	(68)

Net of Rs 25 lakhs plan assets of a subsidiary

C	Change in the present value of the defined benefit obligation during the year	As at 31st March, 2020				As at 31st March, 2019			
		Gratuity (Funded)	Gratuity (Unfunded)	Long term service award	Retirement Compensation (Unfunded)	Gratuity (Funded)	Gratuity (Unfunded)	Long term service award	Retirement Compensation (Unfunded)
1	Present value of defined benefit obligation at the beginning of the year	3,112	346	68	897	5,110	298	72	830
2	Current service cost / plan amendments	191	42	3	413	382	42	5	74
3	Interest cost	220	17	5	24	370	15	5	15
4	Benefits paid	(362)	(12)	(2)	(263)	(611)	(16)	(10)	(96)
5	Remeasurement (gains)/losses	1,494	56	(2)	28	184	(26)	38	-
6	Return on plan assets greater/(lesser) than discount rate	-	-	-	-	(43)	-	-	-
7	Exchange differences on foreign plans	-	17	-	48	-	33	-	74
8	Less : amount recognised in discontinued operations	-	-	-	-	(2,280)	-	(42)	-
9	Present value of defined benefit obligation at the end of the year	4,655	466*	72#	1,145	3,112	346*	68#	897

* Excludes liability for gratuity amounting to Rs. 299 lakhs (31st March, 2019 : Rs. 283 lakhs) of Usha Martin Singapore Pte Limited, a subsidiary of the Company. The liability has been provided on actual basis for the unfunded gratuity plan.

Excludes liability for long term service award amounting to Rs. 27 lakhs (31st March, 2019 : Rs. 24 lakhs) of Usha Martin Singapore Pte Limited, a subsidiary of the Company. The liability has been provided on actual basis for the unfunded long term service award.

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

D	Change in the fair value of plan assets during the year	As at 31st March, 2020	As at 31st March, 2019
		Gratuity	
1	Plan assets at the beginning of the year	1,777	2,243
2	Interest income	121	149
3	Contribution by employer	10	39
4	Actual benefits paid	(362)	(611)
5	Return on plan assets greater/(lesser) than discount rate	(6)	(43)
6	Actual return on plan assets	-	-
7	Plan assets at the end of the year	1,540	1,777

E In 2019-20, the Group expects to contribute Rs.2,690 lakhs to gratuity fund.

F	The major categories of plan assets as a percentage of the fair value of total plan assets (gratuity)	As at 31st March, 2020	As at 31st March, 2019
		Gratuity (funded)	
	Investments with insurer	97%	98%
	Cash and cash equivalent	3%	2%
	Total	100%	100%

G	Actuarial assumptions	As at 31st March, 2020				As at 31st March, 2019			
		Gratuity (funded)	Gratuity (unfunded)	Long term service award	Retirement Compensation (unfunded)	Gratuity (funded)	Gratuity (unfunded)	Long term service award	Retirement Compensation (unfunded)
1	Discount rate	6.70% / 6.80%	5.25%	6.70%	1.86%	7.50% / 7.70%	5.25%	7.70%	1.86%
2	Expected rate of return on plan assets	6.70% / 6.80%	NA	NA	NA	7.50% / 7.70%	NA	NA	NA
3	Mortality pre retirement	"IALM 2006-2008 Ultimate"	"IALM 2006-2008 Ultimate"	"IALM 2006-2008 Ultimate"	100% of the Male and Female Thai Mortality Ordinary Tables of 2008	"IALM 2006-2008 Ultimate"	"IALM 2006-2008 Ultimate"	"IALM 2006-2008 Ultimate"	100% of the Male and Female Thai Mortality Ordinary Tables of 2008
4	Mortality post retirement	LIC (1996-98) Ultimate	LIC (1996-98) Ultimate	NA	TMO 2008	LIC (1996-98) Ultimate	LIC (1996-98) Ultimate	NA	TMO 2008
5	Withdrawal rate	1%	1%	1%	2% - 48%	1%	1%	1%	2% - 48%
6	Rate of salary increases	6%	6%	6%	6%	5%	5%	5%	5%

H The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Group's policy for plan assets management.

I Maturity profile of the defined benefit obligation (undiscounted amount)								
Expected benefit payments for the year ending	As at 31st March, 2020				As at 31st March, 2019			
	Gratuity (funded)	Gratuity (unfunded)	Long term service award	Retirement Compensation (unfunded)	Gratuity (funded)	Gratuity (unfunded)	Long term service award	Retirement Compensation (unfunded)
Not later than 1 year (next annual reporting period)	227	22	4	115	293	4	4	108
Later than 1 year and not later than 5 years	1,459	195	27	525	1,015	88	27	496
Later than 5 year and not later than 10 years	2,960	86	43	602	1,948	128	43	569
More than 10 years	12,582	-	15	1,412	10,023	-	15	1,335
Total expected payments	17,228	302	89	2,653	13,279	220	89	2,508
Weighted average duration of defined benefit obligation	9	9	7	7	8	8	7	8

J Sensitivity analysis

The basis of various assumptions used in actuarial valuations and their quantitative sensitivity analysis is as shown below:

Increase /(decrease) in defined benefit obligation	As at 31st March, 2020				As at 31st March, 2019			
	Gratuity	Gratuity (unfunded)	Long term service award	Retirement Compensation (unfunded)	Gratuity	Gratuity (unfunded)	Long term service award	Retirement Compensation (unfunded)
Discount rate								
Increase by 0.5% / 1%	(366)	(49)	(104)	(50)	(306)	(37)	(104)	(39)
Decrease by 0.5% / 1%	419	58	24	55	202	45	24	43
Expected rate of increase in compensation level of covered employees								
Increase by 0.5% / 1%	413	-	2	55	202	-	2	43
Decrease by 0.5% / 1%	(368)	-	(2)	(51)	(370)	-	(2)	(40)

* Amount is below the rounding off norm adopted by the Group.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the project unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the Balance Sheet.

K Risk analysis

The Group is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefit plans and management’s estimation of the impact of these risks are as follows:

(i) Interest risk

A decrease in the interest rate on plan assets will increase the plan liability.

(ii) Longevity risk/Life expectancy

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability

(iii) Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

(iv) Investment risk

The Gratuity plan is funded with Life Insurance Corporation of India (LIC). The Company does not have any liberty to manage the fund provided to LIC. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

V. Provident fund

Provident fund contributions in respect of employees [other than those covered in (a) above] are made to Trusts administered by the Company and such Trusts invest funds following a pattern of investments prescribed by the Government. Both the employer and the employees contribute to this Fund and such contributions together with interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefit vests immediately on rendering of services by the employee. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Government under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Company. In terms of the guidance on implementing Indian Accounting Standard 19 on Employee Benefits, a provident fund set up by the Company is treated as a defined benefit plan in view of the Company’s obligation to meet interest shortfall, if any.

The Actuary has carried out actuarial valuation of plan’s liabilities and interest rate guarantee obligations as at the balance sheet date using Projected unit credit method and Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regard to interest rate obligation of the Company as at the Balance Sheet date. Further during the period, the Company’s contribution Rs 356 lakhs (31st March, 2019 : Rs 320 lakhs) to the Provident Fund Trust, has been expensed under “Contribution to provident and other funds”. Disclosures given hereunder are restricted to the information available as per the Actuary’s report.

Principal Actuarial Assumptions

Principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows:

	As at 31st March, 2020	As at 31st March, 2019
Discount Rate	6.70%	7.50%
Withdrawal rate	1%	1%
Expected rate of increase in compensation level of covered employees	6.00%	5.00%
In service mortality	IALM (2006-08)	IALM (2006-08)
Post retirement mortality	LIC(1996-98) Ultimate	LIC(1996-98) Ultimate
EPFO Return	8.50%	8.55%

36. Related party disclosures

(i) Related Parties

(A) Where control relationships exists		
(a)	Joint ventures	Pengg Usha Martin Wires Private Limited (PUMWPL)
		CCL Usha Martin Stressing Systems Limited (CCLUMSSL)
		Tesac Usha Wire rope Company Limited (TUWCL) *
(b)	Substantial interest in the voting power of the entity	UMI Special Steel Limited (UMISSL) (under liquidation)
(B) Key managerial personnel		
		Mr. Mukesh Rambihari Rohatgi, Chairman
		Mr. Brij K Jhavar, Director
		Mr. Basant Kumar Jhavar, Chairman Emeritus (till 31st March, 2019)
		Mr. Prashant Jhavar, Director (till 13th September, 2019)
		Mr. G. N. Bajpai, Chairman (till 31st March, 2019)
		Mr. Salil Singhal, Director (till 30th July, 2019)
		Mr. Jitender Balakrishnan, Director (till 30th July, 2019)
		Mr. P.S.Bhattacharyya, Director (till 30th July, 2019)
		Mr. Venkatachalam Ramakrishna Iyer, Director
		Mr. Vijay Singh Bapna, Director (with effect from 27th May, 2019)
		Mrs. Ramni Nirula, Director (with effect from 26th July, 2019)
		Ms. A. Ramakrishnan, Director (till 9th January, 2019)
		Mr. Rajeev Jhavar, Managing Director
		Mr. P.K.Jain, Joint Managing Director(Wire and Wire Rope Business)#
		Mr. Rohit Nanda, Chief Financial Officer (till 9th April, 2019)
		Mrs. Shampa Ghosh Ray, Company Secretary
		Mr. Anirban Sanyal, Chief Financial Officer (with effect from 10th April, 2019) and Chief Operating Officer (with effect from 20th January, 2020)
(C) Others		
		Usha Martin Employee Provident Fund Trust
		Joh Pengg Austria AG (Holding Company of PUMWPL)

* Represents step-down joint venture.

Deceased on 17th May, 2020

36. Related party disclosures

(ii) Particulars of transactions

The following table provides the total amount of transactions that have been entered into with the related parties for the relevant financial period:

Name and relationship	Year-end	Transactions during the period					
		Sale of products and services	Purchase of Machineries	Dividend Received	Key management personnel remuneration #	Directors' sitting fees	Contribution to Employees Provident Fund Trust
Key managerial personnel							
Mr. Rajeev Jhawar	31st March, 2020	-	-	-	149	-	-
	31st March, 2019	-	-	-	158	-	-
Mr. Brij K Jhawar	31st March, 2020	-	-	-	-	3	-
	31st March, 2019	-	-	-	-	3	-
Mr. P. K. Jain	31st March, 2020	-	-	-	140	5	-
	31st March, 2019	-	-	-	159	-	-
Mrs. Ramni Nirula	31st March, 2020	-	-	-	-	5	-
	31st March, 2019	-	-	-	-	-	-
Mr. Vijay Singh Bapna	31st March, 2020	-	-	-	-	4	-
	31st March, 2019	-	-	-	-	-	-
Mr. Anirban Sanyal##	31st March, 2020	-	-	-	86	-	-
	31st March, 2019	-	-	-	-	-	-
Mr. Rohit Nanda	31st March, 2020	-	-	-	45	-	-
	31st March, 2019	-	-	-	165	-	-
Ms. Shampa Ghosh Ray	31st March, 2020	-	-	-	56	-	-
	31st March, 2019	-	-	-	34	-	-
Mr. Basant Kumar Jhawar	31st March, 2020	-	-	-	-	-	-
	31st March, 2019	-	-	-	-	3	-
Mr. Prashant Jhawar	31st March, 2020	-	-	-	-	1	-
	31st March, 2019	-	-	-	-	3	-
Mr. Jitender Balakrishnan	31st March, 2020	-	-	-	-	5	-
	31st March, 2019	-	-	-	-	10	-
Mr. G.N.Bajpai	31st March, 2020	-	-	-	-	-	-
	31st March, 2019	-	-	-	-	13	-
Mr. Salil Singhal	31st March, 2020	-	-	-	-	5	-
	31st March, 2019	-	-	-	-	9	-
Mr. P.S.Bhattacharyya	31st March, 2020	-	-	-	-	4	-
	31st March, 2019	-	-	-	-	8	-
Mr. Venkatachalam Ramakrishna Iyer	31st March, 2020	-	-	-	-	4	-
	31st March, 2019	-	-	-	-	4	-
Mr. Mukesh Rambihari Rohatgi	31st March, 2020	-	-	-	-	7	-
	31st March, 2019	-	-	-	-	5	-
Ms. A. Ramakrishnan	31st March, 2020	-	-	-	-	-	-
	31st March, 2019	-	-	-	-	6	-
Total	31st March, 2020	-	-	-	476	38	-
	31st March, 2019	-	-	-	516	64	-
Others							
Usha Martin Employees Provident Fund Trust	31st March, 2020	-	-	-	-	-	356
	31st March, 2019	-	-	-	-	-	320
Joh Pengg Austria AG	31st March, 2020	151	-	240	-	-	-
	31st March, 2019	897	27	120	-	-	-
Total	31st March, 2020	151	-	240	-	-	356
	31st March, 2019	897	27	120	-	-	320
Grand Total	31st March, 2020	151	-	240	476	38	356
	31st March, 2019	897	27	120	516	64	320

36 (ia) Remuneration to key management personnel:

Particulars	Period	Mr. Rajeev Jhawar	Mr. P. K. Jain	Mr. Anirban Sanyal	Mr. Rohit Nanda	Ms. Shampa Ghosh Ray
Salary, bonus and perquisites	31st March, 2020	130	140	82	45	54
	31st March, 2019	139	151	-	162	32
Contribution to provident and other funds	31st March, 2020	19	-	4	-	2
	31st March, 2019	19	8	-	3	2

Key managerial personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel. As the future liability for gratuity and leave is provided on an actuarial basis for the Group as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above.

Amount in the capacity of key managerial personnel disclosed.

* Amount is below the rounding off norm adopted by the Group.

36. Related party disclosures							
(iii) Balance outstanding at the year end 31st March, 2020							
Name and relationship		Balance outstanding at the year end					
		Corporate / other guarantees given	Trade receivables	Trade payables/ other financial liabilities	Loans and advances (long-term / short-term)	Investments in equity shares	Company's contribution to Related Party Trust
Substantial interest in voting power of the Company							
UMISSL	31st March, 2020	-	-	-	-	*	-
	31st March, 2019	-	-	-	-	*	-
Key managerial personnel							
Mr. Rajeev Jhawar	31st March, 2020	29,075	-	-	-	-	-
	31st March, 2019	1,99,594	-	2	-	-	-
Mr. P. K. Jain	31st March, 2020	-	-	-	-	-	-
	31st March, 2019	-	-	9	-	-	-
Mr. Rohit Nanda	31st March, 2020	-	-	-	-	-	-
	31st March, 2019	-	-	14	-	-	-
Ms. Shampa Ghosh Ray	31st March, 2020	-	-	-	-	-	-
	31st March, 2019	-	-	2	-	-	-
Total	31st March, 2020	29,075	-	-	-	-	-
	31st March, 2019	1,99,594	-	27	-	-	-
Others							
Usha Martin Employees provident Fund Trust	31st March, 2020	-	-	-	-	-	118
	31st March, 2019	-	-	-	-	-	228
Joh Pengg Austria AG	31st March, 2020	-	-	-	1	1,620	-
	31st March, 2019	-	342	-	1	1,620	-
Total	31st March, 2020	-	-	-	1	1,620	118
	31st March, 2019	-	342	-	1	1,620	228
Grand Total	31st March, 2020	29,075	-	-	1	1,620	118
	31st March, 2019	1,99,594	342	27	1	1,620	228

* Amount is below the rounding off norm adopted by the Group.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. For the year ended 31st March, 2020 and 31st March, 2019, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The Group routinely enters into transactions with these related parties in the ordinary course of business at market rates and terms.

37. Segment information

Based on evaluation of the Group's business performance by the Chief operating decision maker, the Group's businesses are organised in the following reportable segments :

- The wire and wire ropes segment which manufactures and sells steel wires, strands, wire ropes, cord, bright bar, related accessories, etc.
- Discontinued operation mentioned below represents steel segment which used to manufacture and sell steel wire rods, bars, blooms, bright bar, billets, pig iron and allied products. Segment assets and liabilities of discontinued business has been arrived as per Business Transfer Agreement.
- Others include manufacturing and selling of wire drawing and allied machines, jelly filled telecommunication cables and corporate office.

The Managing Director, Joint Managing Director and Chief Operating Officer are the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

Transfer prices between operating segments are on an arm's length basis. Inter-segment revenues are eliminated and reflected in the 'adjustments and eliminations' column.

The following table presents revenue and profit information and certain asset information regarding the Group's business segment as at and for the year ended March 31st, 2020 and March 31st, 2019.

I. Business Segment Analysis

Particulars	Business segments				
	Discontinued operations [Refer Note 39(ii)]	Wire and wire ropes (continuing operations)	Others (Continuing operations)	Adjustments and eliminations	Total
Segment revenue					
External revenue	4,217	2,07,879	7,503	-	2,19,599
	2,89,301	2,38,345	10,480	-	5,38,126
Inter-segment revenue	2,306	-	-	(2,306)	-
	1,04,899	-	-	(1,04,899)	-
Total revenue from operations	6,523	2,07,879	7,503	(2,306)	2,19,599
	3,94,200	2,38,345	10,480	(1,04,899)	5,38,126
Segment results	50,148 #	26,086	(1,518)	(11,678)	63,038
	14,744	28,120	(438)	(60,526)	(18,100)
Depreciation and amortisation	572	6,011	351	-	6,934
	23,832	5,693	305	88	29,918
Total assets	-	2,06,542	49,548	-	2,56,090
	4,28,418	1,99,220	73,481	-	7,01,119
Total liabilities	-	48,774	80,790	-	1,29,564
	1,96,690	35,964	3,87,022	-	6,19,676
# Includes Rs. 55,652 lakhs profit on sale of discontinued operations					
Reconciliations to amounts reflected in the financial statements					
Reconciliation of profit					
Segment profit /(loss)	50,148	26,086	(1,518)	-	74,716
	14,744	28,120	(438)	-	42,426
Less : Finance costs					9,244
					60,368
Less : Other unallocable expenditure (net of unallocable income)					2,434
					158
Profit / (loss) before tax and share of profit of joint ventures					63,038
					(18,100)
Reconciliation of assets					
Segment assets	-	2,06,542	49,548		2,56,090
	4,28,418	1,99,220	73,481		7,01,119
Reconciliation of liabilities					
Segment liabilities	-	48,774	80,790	-	1,29,564
	1,96,690	35,964	3,87,022	-	6,19,676

Note: Figures in bold relate to 31st March 2020 and normal type relate to 31st March 2019

II. Geographical segment analysis

The revenue information below is based on the locations of the customers. The following table provides an analysis of Group's sales by region in which the customer is located, irrespective of the origin of the goods.

Revenue by geographical segment	Year ended 31st March, 2020	Year ended 31st March, 2019
India	1,06,958	1,48,749
Outside India	1,08,424	1,00,076
Total revenue from operations as per Statement of Profit and Loss	2,15,382	2,48,825

Details of non-current assets (property, plant and equipment, capital work-in-progress, investment property, goodwill on consolidation, other intangible assets and right-of-use assets) based on geographical area is as below:

	As at 31st March, 2020	As at 31st March, 2019
India	47,916	48,494
Outside India	50,964	46,324
Total	98,880	94,818

Segment capital expenditure

	Year ended 31st March, 2020	Year ended 31st March, 2019
India	3,028	767
Outside India	1,003	934
Total	4,031	1,701

38 A. Fair value hierarchy

The following table provides the fair value hierarchy of the Group's assets and liabilities:

a) Financial instruments by category

Particulars	As at 31 March 2020				As at 31 March 2019			
	Fair value through profit or loss	Amortised cost	Total carrying value	Total fair value	Fair value through profit or loss	Amortised cost	Total carrying value	Total fair value
Financial assets								
Investments	5	-	5	5	5	-	5	5
Trade receivables	-	29,840	29,840	29,840	-	32,545	32,545	32,545
Cash and cash equivalents	-	9,732	9,732	9,732	-	4,553	4,553	4,553
Other bank balances	-	1,510	1,510	1,510	-	2,766	2,766	2,766
Loans	-	805	805	805	-	949	949	949
Other financial assets including derivatives	23	22,012	22,035	22,035	82	14,750	14,832	14,832
Total financial assets	28	63,899	63,927	63,927	87	55,563	55,650	55,650
Financial liabilities								
Borrowings (including current maturities)	-	57,912	57,912	57,912	-	3,56,477	3,56,477	3,56,477
Lease liabilities	-	4,108	4,108	4,108	-	-	-	-
Trade payables	-	36,329	36,329	36,329	-	32,453	32,453	32,453
Derivatives	397	-	397	397	49	-	49	49
Other financial liabilities	-	9,000	9,000	9,000	-	14,977	14,977	14,977
Total financial liabilities	397	1,07,349	1,07,746	1,07,746	49	4,03,907	4,03,956	4,03,956

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. The model incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. As at 31 March 2020, the mark-to-market value of other derivative assets / liabilities positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value through profit and loss. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

(b) Quantitative disclosures of fair value measurement hierarchy for assets and liabilities

Financial assets and liabilities measured at fair value at 31st March, 2020				
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments	-	-	5	5
Derivative financial assets	-	23	-	23
Financial liabilities				
Derivative financial liabilities	-	397	-	397
Financial assets and liabilities measured at fair value at 31st March, 2019				
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments	-	-	5	5
Derivative financial assets at fair value	-	82	-	82
Financial liabilities				
Derivative financial liabilities	-	49	-	49

Notes:

The Group uses the following hierarchy for determining and /or disclosing the fair value of financial instruments by valuation techniques :

Level 1 hierarchy includes financial instruments measured using quoted prices in active markets for identical assets or liabilities.

Level 2 hierarchy includes the fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) and the fair value is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

38 B. Financial risk management objectives and policies

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management and governance framework. The board of directors has established the Risk Management Committee (RMC) which is responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and control and monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group's activities expose it to market risk, liquidity risk and credit risk which are measured, monitored and managed to abide by the principles of risk management.

(a) Credit risk

Credit risk refers to the risk of financial loss that may arise from counterparty failure on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

The Group controls its own exposure to credit risk. All external customers undergo a creditworthiness check. The Group performs an on-going assessment and monitoring of the financial position and the risk of default. Based on the aforesaid checks, monitoring and historical data, the Group does not perceive any significant credit risk on trade receivables. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions. In addition, as part of its cash management and credit risk function, the Group regularly evaluates the creditworthiness of financial and banking institutions where it deposits cash and performs trade finance operations. The Group primarily has banking relationships with the public sector, private and large international banks with good credit rating. In addition, as part of its cash management and credit risk function, the Group regularly evaluates the creditworthiness of financial and banking institutions where it deposits cash and performs trade finance operations. The Group primarily has banking relationships with the public sector, private and large international banks with good credit rating. The Group's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding trade receivables as at 31st March, 2020 and 31st March, 2019 respectively.

The maximum exposure to the credit risk at the reporting date is the carrying value of all financial assets amounting to Rs. 63,927 lakhs (31st March, 2019 : Rs. 55,650 lakhs) as disclosed in note 38A(a).

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Group does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment. The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. Movement in the allowance for credit impaired trade receivables is given in Note 12 (i).

Of the year-end trade receivables, the following were past due but not impaired as at 31st March, 2020 and 31st March, 2019 :

Particulars	As at 31st March, 2020	As at 31st March, 2019
Neither impaired nor past due	15,117	22,410
Past due but not impaired		
Due less than one month	6,908	6,224
Due between one - three months	5,005	2,970
Due between three - twelve months	1,351	543
Due greater than twelve months	1,459	398
Total	29,840	32,545

Credit risk from balances with banks is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Board of Directors of the respective Companies on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Concentrations arise when a number of counterparties are engaged in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

(b) Liquidity risk

Liquidity risk arises from the Group's inability to meet its cash flow commitments on the due date. The Group has liquidity risk monitoring processes covering short-term, mid-term and long-term funding. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of committed credit facilities and loan funds. Management regularly monitors projected and actual cash flow data, analyses the repayment schedules of the existing financial assets and liabilities and performs annual detailed budgeting procedures coupled with rolling cash flow forecasts. The contractual maturities of the Group's financial liabilities are presented below:-

31st March 2020	Contractual cash flows				
	Less than 1 year	1-3 years	3-8 years	Above 8 years	Total
Non-derivative financial liabilities					
Borrowings (including current maturities) *	27,394	13,944	15,701	873	57,912
Trade payables	36,329	-	-	-	36,329
Other financial liabilities	9,000	-	-	-	9,000
Lease liabilities	4,108				4,108
Derivative financial liabilities	397	-	-	-	397
Total	77,228	13,944	15,701	873	1,07,746
31st March 2019	Contractual cash flows				
	Less than 1 year	1-3 years	3-8 years	Above 8 years	Total
Non-derivative financial liabilities					
Borrowings (including current maturities) *	1,25,880	77,935	1,41,174	11,488	3,56,477
Trade payables	32,453	-	-	-	32,453
Other financial liabilities	14,977	-	-	-	14,977
Derivative financial liabilities	49	-	-	-	49
Total	1,73,359	77,935	1,41,174	11,488	4,03,956

* Includes non-current borrowings, current borrowings, current maturities of non-current borrowings.

The amount of guarantees given on behalf of subsidiaries included in note 34A2 (iii) represents the maximum amount the Group could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting period, the Group considers that it is more likely that such an amount will not be payable under the arrangement.

(c) Market risk

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

The Group is exposed to different types of market risks. The market risk is the possibility that changes in foreign currency exchange rates, interest rates and commodity prices may affect the value of the Group's financial assets, liabilities or expected future cash flows.

The fair value information presented below is based on the information available with the management as of the reporting date.

(c.1) Foreign currency exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

A reasonably possible strengthening /weakening of the Indian Rupee against such foreign currency (converted to US Dollars) as at 31st March, 2020 and 31st March, 2019 would have affected profit and loss by the amounts shown below. This analysis assumes that all other variables remain constant and ignores any impact of forecasted sales and purchases.

	Changes in USD rate	Unhedged foreign currency receivables / (payables) (net)	Effect on profit/ (loss) before Tax	Impact on Equity
31st March , 2020	10%	16,501	1,650	1,650
	-10%	-	(1,650)	(1,650)
31st March , 2019	10%	17,689	1,769	1,769
	-10%	-	(1,769)	(1,769)

Derivative financial instruments

The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining maturity period.

	As at 31st March, 2020	As at 31st March, 2019
Less than 1 year		
Forward contract to cover both present and future foreign currency exposures :		
Import payables	2,358	5,060
Export Receivables	14,510	1,557

(c.2) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Group's cash flows as well as costs. The Group is subject to variable interest rates on some of its interest bearing liabilities. The Group's interest rate exposure is mainly related to debt obligations. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The exposure of the Group's financial assets and financial liabilities as at 31st March, 2020 and 31st March, 2019 to interest rate risk is as follows :

Financial Assets	Total	Floating rate financial assets	Fixed rate financial assets	Non-interest bearing financial assets
31st March, 2020	63,927	-	4,148	59,779
31st March, 2019	55,650	-	4,408	51,242
Financial liabilities	Total	Floating rate financial liabilities	Fixed rate financial liabilities	Non-interest bearing financial liabilities
31st March, 2020	1,07,746	69,097	-	38,649
31st March, 2019	4,03,956	3,62,153	2,753	39,050

If the interest rates applicable to floating rate instruments is increased/decreased by 1%, the profit before tax for the year ended 31st March, 2019 (and corresponding impact on equity) would decrease/increase by Rs 644 lakhs (31st March, 2019 : Rs 3,622 lakhs) on an annualised basis. This assumes that the amount and mix of fixed and floating rate debt remains unchanged during the year from that in place as at year end.

(c.3) Commodity price risk

The Company's revenue is exposed to the risk of price fluctuations related to the sale of its wire & wire rope products. Market forces generally determine prices for such products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of wire & wire rope products.

The Company primarily purchases its raw materials in the open market from third parties. The Company is therefore subject to fluctuations in prices of wire rods, zinc, lead, lubricants, core and other raw material inputs. The Company purchased substantially all of coal requirements from third parties in the open market during the year ended 31st March, 2020 and 31st March, 2019 respectively .

The Company does not have any commodity forward contract for Commodity hedging.

The following table details the Company's sensitivity to a 5% movement in the input price of wire rod and zinc. The sensitivity analysis includes only 5% change in commodity prices for quantity sold or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commodity prices decrease by 5%. For a 5% increase in commodity prices, there would be a comparable impact on profit or equity, and the balances below are negative.

Impact for a 5% change on the statement of profit and loss and equity	Increase	Decrease
Particulars		
March 31st, 2020		
Wire Rod	(3,077)	3,077
Zinc	(179)	179
March 31st, 2019		
Wire Rod	(3,875)	3,875
Zinc	(176)	176

38 C. Derivative financial instruments

The Group uses derivative instruments as part of its management of exposure to fluctuations in foreign currency exchange rates. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Group does not acquire or issue derivative financial instruments for trading or speculative purposes. The Group does not enter into complex derivative transactions to manage the treasury risks. Treasury derivative transactions are normally in the form of forward contracts and these are subject to the Group guidelines and policies. The fair values of all derivatives are separately recorded in the balance sheet within current and non-current assets and liabilities. The use of derivatives can give rise to credit and market risk. The Group tries to control credit risk as far as possible by only entering into contracts with reputable banks and financial institutions. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

38 D. Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and other equity. The Group's primary capital management objectives are to ensure its ability to continue as a going concern and to optimize the cost of capital in order to enhance value to shareholders. The Group manages its capital structure and makes adjustments to it as and when required. To maintain or adjust the capital structure, the Group may pay dividend or repay debts, raise new debt or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. No major changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2020 and 31st March, 2019 respectively. The Group includes within net debt, total borrowings less total cash as follows:

The following table summarises the capital of the Group:-

Particulars	31st March, 2020	31st March, 2019
Cash and cash equivalents [refer note 12 (ii)]	9,732	4,553
Other bank balances [refer note 12 (iii)]	1,510	2,766
Total cash (a)	11,242	7,319
Non - current borrowings [refer note 16(i)]	30,518	2,30,597
Current borrowings [refer note 20 (i)]	23,326	85,371
Current maturities of long-term borrowings [refer note 20 (iii)]	4,068	40,509
Total borrowings (b)	57,912	3,56,477
Net debt (c = b-a)	46,670	3,49,158
Total equity attributable to equity shareholders of the parent	1,22,749	78,201
Total capital (equity + net debt) (d)	1,69,419	4,27,359
Gearing ratio (c/d)	28%	82%

- 39 (i) (a) The Company was allocated two coal blocks namely, Kathautia Coal Block and Lohari Coal Block in the State of Jharkhand for captive use. Pursuant to the Hon'ble Supreme Courts' order dated 24th September, 2014 followed by promulgation of the Coal Mines (Special Provisions) Act, 2015, (CMSP Act), the allocation of all coal blocks since 1993, including the aforesaid coal blocks allocated to the Company were cancelled with effect from 24th September, 2014 in case of Lohari Coal Block and 1st April, 2015 in the case of Kathautia Coal Block.

Through the process of public auction as envisaged in the CMSP Act, the aforesaid Coal Blocks of the Company had been allocated to other successful bidders by the Central Government. Pursuant to conclusion of such auction, the Central Government had also issued vesting orders for Kathautia and Lohari Coal Blocks for transfer and vesting the Company's rights, title and interest in and over the land and mine infrastructure of the said coal blocks to the respective successful bidders.

At the year-end, the Company is carrying an aggregate amount of Rs. 1,358 lakhs (net of Rs. 10,306 lakhs recovered during the year and provision/impairment charge of Rs. 3,660 lakhs including Rs. 2,597 lakhs for the year) as assets held for sale/ advance against land, which consists of assets in the form of land, movable and immovable properties, advances etc. as follows:

	As at 31st March, 2020	As at 31st March, 2019
Assets held for sale #	1,131	1,405
Advances against land-coal mines under other non-current financial assets [refer note 7 (iv)]	-	1,485
Advances against land-coal mines under other non-current assets (refer note 10) ##	-	2,851
Advances against land-coal mines under current- other financial assets [refer note 12 (v)] ###	227	8,458
Total	1,358	14,199

Net of impairment Rs. 809 lakhs (31st March, 2019 : Rs. 537 lakhs)

Net of impairment Rs. 2,851 lakhs (31st March, 2019 : Nil)

Net of discounting Nil (31st March, 2019 : Rs 526 lakhs)

During the year ended March 31, 2020, the Company has recovered Rs. 10,306 lakhs out of Rs. 10,532 lakhs where the Company had filed an application before Hon'ble Delhi High court in an earlier year and based on developments in the current year, the Company is confident of recovery of balance Rs 227 lakhs within the next financial year. Further, the Company is also engaged in ongoing negotiations with the party to whom the aforesaid Coal Blocks were subsequently allotted for realization of compensation/investments in the mines. After taking into consideration the reasons as stated above, management is of the opinion that the realizable value of aforesaid assets will not be less than their carrying values.

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

- 39 (i) (b) As at March 31, 2019, the Company had earmarked for disposal certain land and building in Chennai, which were previously used by the Bright Bar Business. Accordingly the written down value of such assets aggregating Rs.1,202 lakhs as at March 31, 2019 were disclosed as "Assets held for sale". Management is actively evaluating installation of a wire and wire rope manufacturing facility at that location. Hence those assets has been reclassified under Property, plant and equipment at the year end.
- 39 (i) (c) As at March 31, 2020, the Company had earmarked disposal of property, plant and equipment of its Wire mill facility at Jamshedpur and accordingly the written down value of such assets amounting to Rs. 286 lakhs has been disclosed as "Assets held for sale" as at March 31, 2020.

39 (ii) Discontinued Operations

The Board of Directors and shareholders of the Company at their meeting held on September 22, 2018 and November 10, 2018 respectively, approved the sale and transfer of the Company's Steel Business and plant and machinery of the Bright Bar Business ("SBB Business") to Tata Steel Limited or its subsidiaries ("TSL") on a going concern basis under a slump sale arrangement. The SBB business comprised of a specialised steel manufacturing plant, an operative iron ore mine, a coal mine under development, captive power plants and plant and machinery of Bright Bar Business. Accordingly, a Business Transfer Agreement ('BTA') was executed on September 22, 2018 between the Company and TSL. Subsequently, on October 24, 2018, the Company has entered into a novation agreement with TSL and Tata Steel Long Products Limited (TSLPL) (formerly known as Tata Sponge Iron Limited (the 'Purchaser'), a subsidiary of TSL whereby all rights and obligations of TSL under the terms of the BTA was assumed by the Purchaser. On April 7, 2019 and July 3, 2019, the Company further entered into a supplemental agreement ('Supplemental BTA') with the Purchaser to record the amendment and substitution of certain provisions of the BTA. The transfer of SBB Business to the Purchaser was subject to the satisfaction of conditions precedent as stipulated in the BTA and Supplemental BTA and receipt of applicable permissions and consents from concerned regulators / authorities. Assets and liabilities of SBB business covered by the BTA were disclosed as held for sale in the Balance Sheet as at March 31, 2019 as "Assets of discontinued operations classified as held for sale" and "Liabilities of discontinued operations classified as held for sale" respectively. In terms of the BTA, certain assets pertaining to SBB Business which are pass through in nature, would be paid back to the Company as and when received by the Purchaser, hence shown as part of the continuing business

Pursuant to the Business Transfer Agreement dated September 22, 2018, Novation agreement on October 24, 2018 and Supplemental Business Transfer Agreement dated April 7, 2019 and July 3, 2019 respectively with TSLPL as stated above, the Company has transferred its SBB Business as a going concern on slump sale basis during the year ended March 31, 2020 in accordance with the terms and conditions set out in those agreements at a consideration of Rs. 452,500 lakhs subject to net working capital adjustments. Out of the aforesaid consideration, an amount of Rs. 16,000 lakhs is receivable as at the year-end which includes Rs. 15,000 lakhs in respect of certain parcels of land for which perpetual lease and license agreements have been executed by the Company in favour of TSLPL pending completion of ongoing formalities for registration in the name of TSLPL. The Company and TSLPL are in the process of final settlement, commercial negotiation and reconciliation of net working capital and therefore impact of adjustment, if any, arising from such final settlement/reconciliation which is not expected to be material shall be done on conclusion thereof and adjusted against balance consideration pending. Resultant profit of Rs. 55,652 lakhs (net of expenses/costs aggregating Rs. 17,103 lakhs incurred for the purpose of transfer) on transfer of the SBB Business has been recognised under discontinued operations as profit from disposal of discontinued operations in these financial statements in terms of Ind AS 105 : Non-current assets held for sale and discontinued operations.

The impact of the transaction in the consolidated financial statements is as follows:

Particulars	Year ended 31st March, 2020
Consideration from TSLPL (net of acceptances Rs. 98,013 lakhs paid by TSLPL directly) [A]	3,08,286
Book value of fixed assets sold [B]	3,71,461
Net book value of non-current liabilities (net of other non-current assets) sold [C]	1,534
Net book value of current liabilities (net of current assets) sold [D]	1,34,396
Expenses pertaining to the disposal of the business [E]	17,103
Profit on disposal of SBB Business (discontinued operation) [F]=[A-B+C+D-E]	55,652

(I) The results of SBB for the year are presented below :

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Income		
Revenue from operations	6,523	3,94,200
Other income	2,250	6,711
Total income	8,773	4,00,911
Expenses		
Cost of materials consumed	2,135	1,93,945
(Increase) / decrease in inventories of finished goods, work-in-progress and scrap/by-product	2,890	23,504
Employee benefits expense	786	15,495
Finance costs	1,826	49,015
Depreciation and amortisation expenses	572	23,832
Other expenses	7,894	1,29,391
Total expense	16,103	4,35,182
Profit /(loss) for the year from discontinued operations before profit on disposal of SBB Business	(7,330)	(34,271)
Profit on disposal of SBB Business (discontinued operations)	55,652	-
Profit / (loss) for the year before tax from discontinued operations	48,322	(34,271)
Tax expenses of discontinued operations	-	-
Profit / (loss) for the year from discontinued operations	48,322	(34,271)

(II) Major classes of assets and liabilities of SBB business classified as held for sale as at 31st March, 2019 are as follows:

Particulars	As at 31st March, 2019
Assets	
Non-current assets	
(a) Property, plant and equipment	3,67,743
(b) Capital work-in-progress	2,487
(c) Intangible assets	1,805
(d) Financial assets	
Other financial assets	676
(e) Other non-current assets	2,852
Total non-current assets	3,75,563
Current assets	
(a) Inventories	30,383
(b) Financial assets	
(i) Trade receivables	21,504
(ii) Cash and cash equivalents	209
(iii) Loans	4
(c) Other current assets	755
Total current assets	52,855
Total assets classified as held for sale	4,28,418

Particulars	As at 31st March, 2019
Liabilities	
Non - current liabilities	
(a) Provisions	2,192
(b) Government grants	2,820
Total non-current liabilities	5,012
Current liabilities	
(a) Financial liabilities	
(i) Borrowings	11,595

(ii) Trade payables	
(A) Total outstanding dues of micro and small enterprises	2,048
(B) Total outstanding dues of creditors other than micro and small enterprises	1,49,322
(iii) Other financial liabilities	6,638
(b) Provisions	1,683
(c) Government grants	110
(d) Other current liabilities	20,282
Total current liabilities	1,91,678
Total liabilities classified as held for sale	1,96,690
Net assets of SBB business	2,31,728

(III) Net cash flows attributable to SBB business are as follows:

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Net cash flow (used in) / from operating activities	(209)	83,253
Net cash flow used in investing activities	-	(3,122)
Net cash flow used in financing activities	-	(79,933)
Net cash (used in)/ generated from discontinued operations	(209)	198

For disclosure on earnings per share from discontinued operations, refer note 32.

40 Group information

- (a) The Group consists of parent company, Usha Martin Limited, incorporated in India and a number of subsidiaries and joint ventures held directly and indirectly by the Group which operate and are incorporated around the world. Following are the details of shareholdings in the subsidiaries and joint ventures.

	Principal place of business	% of equity interest as on 31st March, 2020	% of equity interest as on 31st March, 2019
Information about subsidiaries			
Domestic:			
UM Cables Limited	India	100%	100%
Usha Martin Power and Resources Limited	India	100%	100%
Bharat Minex Private Limited	India	100%	100%
Gustav Wolf Speciality Cords Limited	India	100%	100%
Overseas:			
Usha Martin International Limited	United Kingdom	100%	100%
Usha Martin UK Limited @	United Kingdom	100%	100%
European Management and Marine Corporation Limited @	United Kingdom	100%	100%
Brunton Shaw UK Limited @	United Kingdom	100%	100%
De Ruyter Staalkabel B.V. @	Netherlands	100%	100%
Usha Martin Europe B.V. @	Netherlands	100%	100%
Usha Martin Italia S.R.L. @	Italy	100%	100%
Brunton Wolf Wire Ropes FZCo.	United Arab Emirates, Dubai	60%	60%
Usha Martin Americas Inc.	United States of America	100%	100%
Usha Siam Steel Industries Public Company Limited	Thailand	98%	98%
Usha Martin Singapore Pte. Limited	Singapore	100%	100%
Usha Martin Australia Pty Limited @	Australia	100%	100%
Usha Martin Vietnam Company Limited @	Vietnam	100%	100%
PT Usha Martin Indonesia @	Indonesia	100%	100%
Usha Martin China Company Limited @	China	100%	100%
Information about Joint ventures			
Pengg Usha Martin Wires Private Limited	India	40%	40%
CCL Usha Martin Stressing Systems Limited	India	50%	50%
Tesac Usha Wirerope Company Limited*	Thailand	50%	50%

@ Represents step-down subsidiaries

* Represents step-down joint venture

(b) Non - controlling interests

The non-controlling interests of the Group relate to the following:

Non - controlling interests	Country of incorporation	% of ownership interest as on 31st March, 2020	% of ownership interest as on 31st March, 2019
Brunton Wolf Wire Ropes FZCo.	United Arab Emirates, Dubai	40%	40%
Usha Siam Steel Industries Public Company Limited	Thailand	2%	2%

The table below shows summarised financial information of subsidiary of the Group, Brunton Wolf Wire Ropes FZCo, that has non-controlling interest and is material to the Group. In the opinion of the management, other non-controlling interests are not material to the Group.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-current assets	1,544	1,158
Current assets	13,666	12,368
Non-current liabilities	561	329
Current liabilities	5,998	5,848
Equity attributable to owners of the Company	6,762	5,845
Non-controlling interests	1,889	1,503

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue	16,299	16,364
Expenses	15,053	15,769
Profit/(loss) after tax	1,246	595
Profit/(loss) attributable to the equity shareholders	725	284
Profit/(loss) attributable to the non-controlling interest	521	311
Other comprehensive income during the year	(35)	12
Other comprehensive income attributable to the equity shareholders	(21)	7
Other comprehensive income attributable to the non-controlling interest	(14)	5
Total comprehensive income during the year	1,211	607
Total comprehensive income attributable to the equity shareholders	704	291
Total comprehensive income attributable to the non-controlling interest	507	316
Dividends paid/payable to non-controlling interests, including dividend tax	-	727

(c) Interest in Joint ventures

Set out below are the joint ventures of the group as at March 31, 2020. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Joint ventures	Principal place of business	% of equity interest as on 31st March, 2020	% of equity interest as on 31st March, 2019
Pengg Usha Martin Wires Private Limited	India	40%	40%
CCL Usha Martin Stressing Systems Limited	India	50%	50%
Tesac Usha Wirerope Company Limited*	Thailand	50%	50%

* Represents step-down joint venture

The table below shows summarised financial information of joint venture of the Group, Pengg Usha Martin Wires Private Limited, that is material to the Group. In the opinion of the management, other joint ventures are not material to the Group.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-current assets	6,282	6,674
Current assets	5,382	6,592
Non-current liabilities	2,288	2,759
Current liabilities	2,934	4,344
Equity attributable to owners of the Group	6,441	6,162

Particulars	For the year ended March 2020	For the year ended March 2019
Revenue	11,577	13,876
Expenses	10,637	12,189
Profit/(loss) after tax	774	1,208
Other comprehensive income during the year	(13)	1

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

Total comprehensive income during the year	761	1,209
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41. Details of dues to micro and small enterprises as defined under Micro, Small and Medium Enterprise Development Act 2006 (MSMED)

The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	As at 31st March, 2020	As at 31st March, 2019
i) Principal amount due to micro and small enterprise	307	93
ii) Interest due on above	2	10
iii) The amount of interest paid by the buyer 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 each accounting year	Nil	Nil
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	1	Nil
v) The amount of interest accrued and remaining unpaid at the end of each accounting year	11	10
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	Nil	Nil

The above particulars, as applicable, have been given in respect of MSMEs to the extent they could be identified on the basis of information available with the Group.

42. Pursuant to the requirement of Schedule III of Companies Act, 2013, additional information of the group considered in preparation of Consolidated Financial Statements are set out below:

Name of the entity in the Group	Net Assets (total assets less total liabilities)		Share in profit or (loss)		Share in Other comprehensive Income (OCI)		Share in Total comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent								
Usha Martin Limited	48.64	61,540	93.90	39,540	(44.62)	(1,095)	86.27	38,445
	28.35	23,093	119.67	5,900	(23.01)	(160)	102.02	5,740
Subsidiaries								
Indian								
UM Cables Limited	1.49	1,889	(2.59)	(1,092)	(1.43)	(35)	(2.53)	(1,127)
	3.70	3,017	(67.96)	(3,350)	3.44	24	(59.11)	(3,326)
Usha Martin Power and Resources Limited	*	2	*	*	-	-	*	*
	-	2	-	*	-	-	*	*
Bharat Minex Private Limited	-	-	*	(4)	-	-	(0.01)	(4)
	0.01	5	(0.10)	(5)	-	-	(0.08)	(5)
Gustav Wolf Speciality Cords Limited	0.20	254	0.03	14	-	-	0.03	14
	0.29	240	0.13	6	-	-	0.11	6
Foreign								
Usha Martin International Limited \$	29.85	37,762	5.73	2,411	-	-	5.41	2,411
	40.13	32,685	23.85	1,176	-	-	20.89	1,176
Usha Martin Singapore Pte Limited \$	6.28	7,950	1.83	771	-	-	1.73	771
	8.92	7,267	(1.77)	(87)	-	-	(1.55)	(87)
Usha Siam Steel Industries Public Company Limited	12.69	16,060	1.02	429	(0.92)	(23)	0.91	406
	18.98	15,454	6.99	345	(0.09)	(1)	6.11	344
Usha Martin Americas Inc	3.80	4,813	2.21	932	-	-	2.09	932
	4.53	3,693	6.67	329	-	-	5.84	329
Brunton Wolf Wire Ropes FZCo	6.84	8,651	2.96	1,246	(1.43)	(35)	2.72	1,211
	9.02	7,349	12.07	595	1.81	12	10.80	607
Non-controlling interests in all subsidiaries	(2.98)	(3,776)	0.53	224	0.57	(14)	0.47	210
	(3.98)	(3,242)	2.67	132	(0.72)	5	2.34	137
Joint ventures (investment accounting as per the equity method)								
Indian								
Pengg Usha Martin Wires Private Limited	2.04	2,577	0.38	162	-	-	0.36	162
	3.03	2,465	8.43	416	-	-	7.39	416
CCL Usha Martin Stressing Systems Limited	0.03	44	0.01	2	-	-	*	2
	0.05	42	0.03	2	-	-	0.03	2
Foreign								
Tesac Usha Wirerope Company Limited#	1.38	1,741	(0.29)	(121)	-	-	(0.27)	(121)
	2.16	1,760	(2.72)	(134)	-	-	(2.38)	(134)
Elimination / adjustment due to consolidation	(10.26)	(12,981)	(5.72)	(2,407)	147.83	3,656	2.82	1,249
	(15.19)	(12,387)	(8.06)	(395)	118.57	817	7.68	422

Notes to the consolidated financial statements as at and for the year ended 31st March, 2020 (All amounts in Rs. lakhs)

Total	100	1,26,526	100	42,108	100	2,454	100	44,562
	100	81,443	100	4,930	100	697	100	5,627

* Amount is below the rounding off norm adopted by the Group.

Represents step-down joint venture

\$ Financial information is inclusive of its subsidiaries

Figures in normal type relate to previous year 2018-19.

43. The Directorate of Enforcement, Patna ("ED") had issued an order dated August 9, 2019 under the provisions of Prevention of Money Laundering Act, 2002 (PMLA) to provisionally attach certain parcels of land at Ranchi used by the Parent Company's wire rope business in the State of Jharkhand for a period of 180 days in connection with export and domestic sale of iron ore fines in prior years aggregating Rs. 19,037 lakhs allegedly in contravention of terms of the lease granted to the Parent Company for the iron ore mines situated at Ghatkuri, Jharkhand. The Hon'ble High Court of Jharkhand at Ranchi had, vide order dated February 14, 2012, held that the Parent Company had the right to sell the iron ore including fines as per the terms of the mining lease which was in place at that point in time. The Parent Company had paid applicable royalty and had made necessary disclosures in its returns and reports submitted to mining authorities. The Parent Company had submitted its reply before the Adjudicating Authority (AA). Subsequently, AA had issued an order confirming the aforesaid provisional order under Section 8(3) of PMLA. Thereafter, the Parent Company filed an appeal before the Appellate Tribunal, New Delhi and successfully obtained a status quo order from the Tribunal on the confirmed attachment order till the next date of hearing, which is fixed as August, 20, 2020. The ongoing operations of the Parent Company have not been affected by the order of provisional attachment. Supported by a legal opinion obtained, management believes that the Parent Company has a strong case on merit.
44. a. The World Health Organisation (WHO) declared the outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 25, 2020 and the Parent Company temporarily suspended operations in all its plants/offices in compliance with the lockdown instructions issued by the Central and State Governments. The performance of subsidiaries and joint ventures has also been partially impacted. COVID-19 has impacted the normal business operations of the Group by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lock down of production facilities etc. during the lock-down period. Production and supply of goods has commenced during the latter part of the month of April 2020 on various dates at all the manufacturing locations of the Group after obtaining permissions on various dates from the appropriate government authorities. Management has made an initial assessment, based on the current situation, of the likely impact of the lockdown on overall economic environment and wire and wire-ropes industry, in particular, based on which it expects the wire and wire-ropes demand to stabilise in due course. Based on projections of the Group's performance for a period of 12 months from end of the year, management does not anticipate any challenge in the group's ability to continue as a going concern or meeting its financial obligations. The Group has additionally, on a prudent basis, assessed existence of any indication of impairment of carrying values of property, plant and equipment at the year-end in accordance with the requirements of Ind AS 36 – Impairment of Assets and also assessed realizability of year-end deferred tax assets. Based on such assessment, management is confident that no indications of impairment of carrying values of property, plant and equipment exist and the Group will earn sufficient taxable profits in future to be able to realise the deferred tax assets.
- b. The above evaluations are based on scenario analysis carried out by the management and internal and external information available upto the date of approval of these financial statements, which are subject to impact of uncertainties that COVID-19 outbreak may ultimately pose on economic recovery and consequential impact on the Group's financial statements.
45. Previous year's figures have been regrouped / rearranged wherever necessary, to conform to current year's presentation.

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration number : 301003E/E300005

per Bhaswar Sarkar, Partner

Membership No. : 055596

Place : Kolkata

Date : June 06, 2020

Rajeev Jhawar

Managing Director

DIN: 00086164

Dhrub Jyoti Basu

Whole Time Director

DIN: 02498037

Anirban Sanyal

Chief Financial Officer

Shampa Ghosh Ray

Company Secretary

ACS 16737

For and on behalf of Board of Directors of Usha Martin Limited

Annexure to Directors Report Cont...

Form No. MGT-9 EXTRACT OF ANNUAL RETURN

as on the Financial Year ended 31.03.2020

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

I. Registration and other details:

i)	CIN	L31400WB1986PLC091621
ii)	Registration Date	22/05/1986
iii)	Name of the Company	Usha Martin Limited
iv)	Category / Sub-Category of the Company	Public Company
v)	Address of the Registered office and contact details	2A, Shakespeare Sarani, Kolkata – 700071; Ph - (033) 71006300; Fax - (033) 71006415
vi)	Whether listed company (Yes / No)	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata-700045 Phone : (033) 4072 4051/52/53; Fax : (033) 4072 4050; Email : mcssta@rediffmail.com

II. Principal business activities of the Company [Continuing Operations]

All the Business activities contributing 10% or more of the total turnover of the Company are:-

Sl. No	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover* of the Company
1	Wires, Wire Ropes, Strands including Locked Coil Wire Ropes	3310	95.41

* For computation of percentage – Total Revenue from Operations (Gross) has been considered.

III. Particulars of holding, subsidiary and associate companies

Sl. No	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1	U M Cables Limited, 2A, Shakespeare Sarani, Kolkata – 700 071	U26932WB1987PLC091221	Wholly Owned Subsidiary	100%	2(87)
2	Usha Martin Power and Resources Limited, 2A, Shakespeare Sarani, Kolkata – 700 071	U74999WB2008PLC126847	Wholly Owned Subsidiary	100%	2(87)
3	Bharat Minex Private Limited, 2A, Shakespeare Sarani, Kolkata – 700 071	U13203WB2007PTC168604	Wholly Owned Subsidiary	100%	2(87)
4	Gustav Wolf Speciality Cords Limited, 2A, Shakespeare Sarani, Kolkata – 700 071	U28999WB2003PLC095883	Wholly Owned Subsidiary	100%	2(87)
5	Pengg Usha Martin Wires Private Limited, 2A, Shakespeare Sarani, Kolkata – 700 071	U27106WB2006PTC109694	Associate	40%	2(6)
6	CCL Usha Martin Stressing Systems Limited, 2A, Shakespeare Sarani, Kolkata – 700 071	U74210WB2006PLC108112	Associate	49.99%	2(6)
7	Usha Martin International Limited, Sandy Lane, Worksop, UK, Nottinghamshire, S80 3ES, UK	Company incorporated outside India	Wholly Owned Subsidiary	100%	2(87)
8	Brunton Wolf Wire Ropes FZCo., Plot No. MO 0301, P.O. Box 17491 Jebel Ali Free Zone Dubai, U.A.E.	Company incorporated outside India	Subsidiary	60%	2(87)
9	Usha Martin Americas Inc., 701, Plastic Avenue, Houston, Texas 770 020, USA.	Company incorporated outside India	Wholly Owned Subsidiary	100%	2(87)
10	Usha Siam Steel Industries Public Company Limited, 101/46, Moo 20, Phaholyothin Road, Klongnueng, Klongluang, Pathumthani 12120, Thailand.	Company incorporated outside India	Subsidiary	97.98%	2(87)
11	Usha Martin Singapore Pte. Limited, No. 91 Tuas Bay Drive, Singapore 637307	Company incorporated outside India	Wholly Owned Subsidiary	100%	2(87)
12	Usha Martin Australia Pty. Ltd., 2/468-470 Victoria Street, Wetherill Park 2164 Sydney, NSW, Australia.	Company incorporated outside India	Wholly Owned Subsidiary [Step-down subsidiary]	100%	2(87)
13	P T Usha Martin Indonesia, Gedung Konica Building 3A Fl., Jl. Gunung Sahari 78, Jakarta 10610 - Indonesia	Company incorporated outside India	Wholly Owned Subsidiary [Step-down subsidiary]	100%	2(87)

Sl. No	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
14	Usha Martin Vietnam Company Limited, No.18A, D2 Street ward 25,Binh Thanh District Ho Chi Minh City, S.R Vietnam	Company incorporated outside India	Wholly Owned Subsidiary [Step-down subsidiary]	100%	2(87)
15	Usha Martin China Company Limited, No.3rd Floor No.122 East Fute No.1 Road, Shanghai Pilot Free Trade Zone, P.R. China Postal Code-200131	Company incorporated outside India	Wholly Owned Subsidiary [Step-down subsidiary]	100%	2(87)
16	De Ruiters Staalkabel BV Slidrecht, Ringersstraat 7 Slidrecht, P.O Box no. 663360 AB, Slidrecht, Netherlands	Company incorporated outside India	Wholly Owned Subsidiary [Step-down subsidiary]	100%	2(87)
17	Usha Martin Italia SRL, via Nikolajewka 1, 25062 Concesio (BS), Italy	Company incorporated outside India	Wholly Owned Subsidiary [Step-down subsidiary]	100%	2(87)
18	Usha Martin Europe B.V. , Kerkeplaat 10, 3313 LC Dordrecht, Netherlands	Company incorporated outside India	Wholly Owned Subsidiary [Step-down subsidiary]	100%	2(87)
19	Usha Martin UK Limited, Sandy Lane, Workshop, Nottinghamshire, S80 3Es	Company incorporated outside India	Wholly Owned Subsidiary [Step-down subsidiary]	100%	2(87)
20	Brunton Shaw UK Limited, 1st Floor, Tasman House, Mariner Court, Clydebank, G81 2NP	Company incorporated outside India	Wholly Owned Subsidiary [Step-down subsidiary]	100%	2(87)
21	European Management and Marine Corporation Limited, Howe Moss Place Kirkhill Industrial Estate, Dyce Aberdeen AB21 0GS	Company incorporated outside India	Wholly Owned Subsidiary [Step-down subsidiary]	100%	2(87)

IV. Share holding pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	58,12,267	-	58,12,267	1.91	92,59,135	-	92,59,135	3.04	1.13
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	866,11,935	-	866,11,935	28.42	906,93,854	-	906,93,854	29.76	1.34
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other Person Acting in Concert	-	-	-	-	13,85,328	-	13,85,328	0.45	0.45
Sub-total (A) (1):-	924,24,202	-	924,24,202	30.33	1013,38,317	-	1013,38,317	33.25	2.93
(2) Foreign									
a) NRIs - Individuals	24,92,983	-	24,92,983	0.82	10,89,147	-	10,89,147	0.36	-0.46
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	388,36,135	-	388,36,135	12.74	367,69,599	-	367,69,599	12.07	-0.68
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	413,29,118	-	413,29,118	13.56	378,58,746	-	378,58,746	12.42	-1.14
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1337,53,320	-	1337,53,320	43.89	1391,97,063	-	1391,97,063	45.68	1.79
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1,09,654	2,500	1,12,154	0.04	2,95,210	2,500	2,97,710	0.10	0.06
b) Banks / FI	6,36,630	1,030	6,37,660	0.21	1,42,548	285	1,42,833	0.05	-0.16
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) Insurance Companies	30,79,103	-	30,79,103	1.01	30,79,103	-	30,79,103	1.01	-
g) FIs/ Foreign Portfolio Investors	369,35,130	500	369,35,630	12.11	252,04,014	500	252,04,514	8.27	-3.86
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	407,60,517	4,030	407,64,547	13.37	287,20,875	3,285	287,24,160	9.43	-3.96
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	473,09,498	21,380	473,30,878	15.53	482,17,426	20,440	482,37,866	15.83	0.30
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	351,55,411	12,89,490	364,44,901	11.96	382,66,309	12,12,625	394,78,934	12.95	1.00
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	211,30,574	-	211,30,574	6.94	238,60,225	-	238,60,225	7.84	0.90
c) Others									
i) Non-Resident Individuals/ Foreign Individuals	15,12,989	38,355	15,51,344	0.51	15,15,264	38,270	15,53,534	0.51	-
ii) IEPF	8,25,766	-	8,25,766	0.27	8,24,548	-	8,24,548	0.26	-
Sub-total (B)(2):-	1059,34,238	13,49,225	1072,83,463	35.21	1126,83,772	12,71,335	1139,55,107	37.40	2.20
Total Public Shareholding (B)=(B)(1)+(B)(2)	1466,94,755	13,53,255	1480,48,010	48.58	1414,04,647	12,74,620	1426,79,267	46.82	-1.76
C. Shares held by Custodian for GDRs & ADRs @	229,40,450	-	229,40,450	7.53	228,65,450	-	228,65,450	7.50	-0.03
Grand Total (A+B+C)	3033,88,525	13,53,255	3047,41,780	100	3034,67,160	12,74,620	3047,41,780	100	

@ Promoter and Promoter Group are holding 36,48,716 GDRs (representing 1,82,43,580 Equity Shares) outstanding at the beginning and end of the year.

ii) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Akshay Goenka	37,210	0.01	-	37,210	0.01	-	-
2.	Amisha Jhavar	5,18,500	0.17	-	10,33,500	0.34	-	0.17
3.	Anupama Jhavar	36,950	0.01	-	16,950	0.01	-	-0.01
4.	Anupama Jhavar – Trustee of Anupriya Welfare Trust	5,50,359	0.18	-	2,196	0.00	-	-0.18
5.	Apurv Jhavar	3,95,245	0.13	-	2,000	0.00	-	-0.13
6.	Basant Kumar Jhavar	82,310	0.03	-	82,310	0.03	-	-
7.	Brij Investments Private Limited	51,11,823	1.68	0.53	61,11,823	2.01	0.53	0.33
8.	Brij Kishore Jhavar	9,45,865	0.31	-	9,45,865	0.31	-	-
9.	Brij Kishore Jhavar -Trustee of Brij Family Trust (Person Acting in Concert)	-	-	-	13,85,328	0.45	-	0.45

SI No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
10.	Jhawar Venture Management Private Limited	8,59,825	0.28	-	8,59,825	0.28	-	-
11.	Kenwyn Overseas Limited #	143,64,680	4.71	-	143,64,680	4.71	-	-
12.	Madhushree Goenka	49,460	0.02	-	49,460	0.02	-	-
13.	Netural Publishing House Limited	-	-	-	36,07,553	1.18	-	1.18
14.	Nidhi Rajgarhia	3,31,139	0.11	-	3,31,139	0.11	-	-
15.	Peterhouse Investment India Limited	207,67,330	6.82	6.44	196,53,829	6.46	6.44	-0.37
16.	Peterhouse Investment Limited ##	244,71,455	8.03	-	224,04,919	7.35	-	-0.68
17.	Prajeev Investments Limited	3,57,000	0.12	-	6,27,000	0.21	-	0.09
18.	Prashant Jhawar	20,60,788	0.68	-	10,70,197	0.35	-	-0.33
19.	Rajeev Jhawar	15,61,741	0.51	-	40,92,187	1.34	-	0.83
20.	Shanti Devi Jhawar	2,79,243	0.09	-	2,79,243	0.09	-	-
21.	Shreya Jhawar	2,13,500	0.07	-	10,13,500	0.33	-	0.26
22.	Stuti Raghav Agarwalla	5,58,330	0.18	-	9,54,330	0.31	-	0.13
23.	Susmita Jhawar	4,38,195	0.14	-	4,38,195	0.14	-	-
24.	Uma Devi Jhawar	2,46,415	0.08	-	-	-	-	-0.08
25.	UMIL Share & Stock Broking Services Limited	388,88,369	12.76	12.47	398,06,236	13.06	12.47	0.30
26.	Usha Martin Ventures Limited	206,27,588	6.77	6.56	200,27,588	6.57	6.56	-0.20
	Total	1337,53,320	43.89	26.00	1391,97,063	45.68	26.00	1.79

Kenwyn Overseas Limited is holding 19,63,025 GDRs (representing 98,15,125 Equity Shares) outstanding at the beginning and end of the year.

Peterhouse Investment Limited is holding 16,85,691 GDRs (representing 84,28,455 Equity Shares) outstanding at the beginning and end of the year.

iii) **Change in Promoters' Shareholding (please specify, if there is no change)***

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2019		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Peterhouse Investments Limited **	24,471,455	8.03					24,471,455	8.03
				08-04-2019	Sale of Shares	(1,400,456)	0.46	23,070,999	7.57
				09-04-2019	Sale of Shares	(666,080)	0.22	22,404,919	7.35
				31-03-2020	At the end of the year			22,404,919	7.35
2.	Usha Martin Ventures Limited	20,627,588	6.77					20,627,588	6.77
				04-06-2019	Sale of Shares	(149,057)	0.05	20,478,531	6.72
				06-06-2019	Sale of Shares	(164,724)	0.05	20,313,807	6.67
				07-06-2019	Sale of Shares	(62,057)	0.02	20,251,750	6.65
				10-06-2019	Sale of Shares	(97,577)	0.03	20,154,173	6.61
				11-06-2019					
				12-06-2019	Sale of Shares	(26,585)	0.01	20,127,588	6.60
				26-06-2019 27-06-2019	Sale of Shares	(100,000)	0.03	20,027,588	6.57
		31-03-2020	At the end of the year			20,027,588	6.57		

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2019		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
3.	Shreya Jhawar	213,500	0.07					213,500	0.07
				06-06-2019	Purchase of Shares	300,000	0.10	513,500	0.17
				07-06-2019	Purchase of Shares	110,000	0.04	623,500	0.20
				11-06-2019	Purchase of Shares	90,000	0.03	713,500	0.23
				28-06-2019	Purchase of Shares	300,000	0.10	1,013,500	0.33
				31-03-2020	At the end of the year			1,013,500	0.33
4.	Peterhouse Investments India Ltd.	20,767,330	6.81					20,767,330	6.81
				18-06-2019	Sale of Shares	(54,225)	0.02	20,713,105	6.80
				19-06-2019					
				25-06-2019	Sale of Shares	(9,276)	0.00	20,703,829	6.79
				20-08-2019	Sale of Shares	(141,718)	0.05	20,562,111	6.75
				21-08-2019					
				22-08-2019	Sale of Shares	(62,694)	0.02	20,499,417	6.73
				23-08-2019	Sale of Shares	(95,588)	0.03	20,403,829	6.70
				26-08-2019					
				30-08-2019	Sale of Shares	(50,000)	0.02	20,353,829	6.68
				04-09-2019	Sale of Shares	(200,000)	0.07	20,153,829	6.61
				05-09-2019					
				09-09-2019	Sale of Shares	(94,567)	0.03	20,059,262	6.58
				11-09-2019	Sale of Shares	(305,433)	0.10	19,753,829	6.48
				12-09-2019					
				17-08-2019	Sale of Shares	(71,170)	0.02	19,682,659	6.46
				18-08-2019					
				20-09-2019	Sale of Shares	(28,830)	0.01	19,653,829	6.45
		23-09-2019							
		31-03-2020	At the end of the year			19,653,829	6.45		
5.	Rajeev Jhawar	1,561,741	0.51					1,561,741	0.51
				03-09-2019	Purchase of Shares	360,000	0.12	1,921,741	0.63
				04-09-2019	Purchase of Shares	140,000	0.05	2,061,741	0.68
				16-09-2019	Purchase of Shares	500,000	0.16	2,561,741	0.84
				03-12-2019	Purchase of Shares	50,000	0.02	2,611,741	0.86
				09-12-2019	Purchase of Shares	50,000	0.02	2,661,741	0.87
				02-03-2020	Purchase of Shares	570,446	0.19	3,232,187	1.06
				04-03-2020	Purchase of Shares	560,000	0.18	3,792,187	1.24
				12-03-2020	Purchase of Shares	175,000	0.06	3,967,187	1.30
				18-03-2020	Purchase of Shares	125,000	0.04	4,092,187	1.34
		31-03-2020	At the end of the year			4,092,187	1.34		
6.	UMIL Share & Stock Broking Service Limited	38,888,369	12.76					38,888,369	12.76
				16-09-2020	Purchase of Shares	135,000	0.04	39,023,369	12.81
				26-02-2020	Purchase of Shares	782,867	0.26	39,806,236	13.06
				31-03-2020	At the end of the year			39,806,236	13.06
7.	Brij Investments Private Limited	5,111,823	1.68					5,111,823	1.68
				16-09-2019	Purchase of Shares	220,000	0.07	5,331,823	1.75
				27-02-2020					
				28-02-2020	Purchase of Shares	725,000	0.24	6,056,823	1.99
				02-03-2020	Purchase of Shares	55,000	0.02	6,111,823	2.01
		31-03-2020	At the end of the year			6,111,823	2.01		

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2019		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
8.	Uma Devi Jhawar	246,415	0.08					246,415	0.08
				29-11-2019	Sale of Shares	(40,000)	0.01	206,415	0.07
				02-03-2020	Sale of Shares	(206,415)	0.07	-	-
				03-03-2020					
		31-03-2020	At the end of the year		-	-	-		
9.	Prajeev Investments Limited	357,000	0.12				-	357,000	0.12
				16-09-2019	Purchase of Shares	270,000	0.09	627,000	0.21
				31-03-2020	At the end of the year			627,000	0.21
10.	Apurv Jhawar	395,245	0.13					395,245	0.13
				10-12-2019	Sale of Shares	(45,000)	0.01	350,245	0.11
				11-12-2019					
				17-03-2019	Sale of Shares	(348,245)	0.11	2,000	0.00
		31-03-2020	At the end of the year			2,000	0.00		
11.	Anupama Jhawar	36,950	0.01					36,950	0.01
				24-02-2020	Sale of Shares	(20,000)	0.01	16,950	0.01
				25-02-2020					
		31-03-2020	At the end of the year			16,950	0.01		
12.	Stuti Raghav Agarwalla	558,330	0.18					558,330	0.18
				02-03-2020	Purchase of Shares	145,000	0.05	703,330	0.23
				18-03-2020	Purchase of Shares	251,000	0.08	954,330	0.31
				31-03-2020	At the end of the year		-	954,330	0.31
13.	Anupama Jhawar Trustee- Anupriya Welfare Trust	550,359	0.18					550,359	0.18
				06-03-2020	Sale of Shares	(184,649)	0.06	365,710	0.12
				09-03-2020					
				11-03-2020	Sale of Shares	(363,514)	0.12	2,196	0.00
				12-03-2020					
		31-03-2020	At the end of the year			2,196	0.00		
14.	Amisha Jhawar	518,500	0.17					518,500	0.17
				12-03-2020	Purchase of Shares	115,000	0.04	633,500	0.21
				17-03-2020	Purchase of Shares	400,000	0.13	1,033,500	0.34
				31-03-2020	At the end of the year			1,033,500	0.34
15.	Prashant Jhawar	2,060,788	0.68					2,060,788	0.68
				20-03-2020	Sale of Shares	(119,219)	0.04	1,941,569	0.64
				23-03-2020	Sale of Shares	(723,372)	0.24	1,218,197	0.40
				24-03-2020					
				25-03-2020	Sale of Shares	(148,000)	0.05	1,070,197	0.35
				31-03-2020	At the end of the year			1,070,197	0.35

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2019		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
16.	Brij Kishore Jhawar - Trustee of Brij Family Trust (Person Acting in Concert)	-	-					-	-
				05-03-2020	Purchase of Shares	305,000	0.10	305,000	0.10
				06-03-2020	Purchase of Shares	96,049	0.03	401,049	0.13
				13-03-2020	Purchase of Shares	290,279	0.10	691,328	0.23
				16-03-2020	Purchase of Shares	125,000	0.04	816,328	0.27
				20-03-2020	Purchase of Shares	220,000	0.07	1,036,328	0.34
				23-03-2020	Purchase of Shares	209,000	0.07	1,245,328	0.41
				24-03-2020	Purchase of Shares	140,000	0.05	1,385,328	0.45
		31-03-2020	At the end of the year			1,385,328	0.45		
17.	Neutral Publishing House Limited ***	-	-					-	-
				25-03-2020	Purchase of Shares	602,059	0.20	602,059	0.20
				25-03-2020	Purchase of Shares	777,582	0.26	1,379,641	0.45
				26-03-2020					
				27-03-2020	Purchase of Shares	2,227,912	0.73	3,607,553	1.18
		31-03-2020	At the end of the year		-	3,607,553	1.18		

Note :

* Except for the above there is no change in the holding of Promoters Akshay Goenka, Basant Kumar Jhawar, Brij Kishore Jhawar, Jhawar Venture Management Private Limited, Kenwyn Overseas Ltd., Madhushree Goenka, Nidhi Rajgarhia, Shanti Devi Jhawar, Susmita Jhawar during this financial year 2019-20.

** Peterhouse Investment Limited is holding 16,85,691 GDRs (representing 84,28,455 Equity Shares) outstanding at the beginning and end of the year.

*** Neutral Publishing House Ltd (NPHL) is a shareholder under Promoter and Promoter Group of the Company. NPHL had informed stock exchanges (BSE & NSE) and the Company on 31st March, 2020 that NPHL had purchased 34,35,648 equity shares on 30th March, 2020 but the same was reflected in the records maintained by depositories after 31st March, 2020.

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

Sl. No.	Shareholding at the beginning of the year			Shareholding at the end of the year	
	Top Ten Shareholders *	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Aquarius India Opportunities Fund	79,25,500	2.60	79,25,500	2.60
2.	The Indiaman Fund (Mauritius) Limited	68,59,500	2.25	68,59,500	2.25
3.	Elara India Opportunities Fund Limited	50,04,500	1.64	50,04,500	1.64
4.	Bhansali Fincom Pvt Ltd ***	-	-	36,50,000	1.20
5.	Deepa Bagla Financial Consultants Pvt. Limited	32,29,572	1.06	32,29,572	1.06
6.	Life Insurance Corporation Of India	29,22,252	0.96	29,22,252	0.96
7.	Resonance Opportunities Fund ***	13,48,000	0.44	25,96,319	0.85
8.	S. K. Autotech Private Limited	19,85,692	0.65	24,76,440	0.81
9.	Monet Securities Private Limited ***	18,77,763	0.62	21,17,947	0.69
10.	Consortium Capital Private Limited ***	1,000	0.00	18,30,000	0.60
11.	Bridge India Fund **	88,40,100	2.90	-	-
12.	Antara India Evergreen Fund Ltd **	23,05,000	0.76	-	-
13.	JMS Mining Services Private Limited **	19,76,465	0.65	-	-
14.	Moneywise Financial Services Pvt Ltd **	19,22,135	0.63	-	-

* Considered on the basis of PAN of top ten shareholders as at the end of the year.

** Was on the top ten shareholders at the beginning of the year, but the shareholding had ceased at the end of the year.

*** Not in the list of top ten shareholder at the beginning of the year. The same is reflected above since the shareholder is in the top ten shareholder as on 31st March, 2020.

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
	Name of the Director/KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Basant Kumar Jhawar*	82,310	0.03	82,310	0.03
2.	Mr. Prashant Jhawar**	20,60,788	0.68	10,70,197	0.35
3.	Mr. Brij Kishore Jhawar	9,45,865	0.31	9,45,865	0.31
4.	Mr. Rajeev Jhawar	15,61,741	0.51	40,92,187	1.34
5.	Mr. Ghyanendra Nath Bajpai*	20,000	0.01	20,000	0.01
6.	Mr. Salil Singhal***	-	-	-	-
7.	Mr. Jitender Balakrishnan***	-	-	-	-
8.	Mr. Partha Sarathi Bhattacharyya***	-	-	-	-
9.	Mr. Venkatachalam Ramakrishna Iyer	-	-	-	-
10.	Mr. Mukesh Rohatgi	-	-	-	-
11.	Mr. Pravin Kumar Jain (deceased on 17.05.2020)	10,000	0.00	10,000	0.00
12.	Mr. Vijay Singh Bapna@	-	-	-	-
13.	Mrs. Ramni Nirula@@	-	-	-	-
14.	Mr. Rohit Nanda#	-	-	-	-
15.	Mr. Anirban Sanyal##	-	-	-	-
16.	Mrs. Shampa Ghosh Ray	-	-	-	-

*Ceased to be director w.e.f. 1st April, 2019

**Ceased to be director w.e.f. 13th September, 2019

*** Mr. Salil Singhal, Mr. Jitender Balakrishnan and Mr. Partha Sarathi Bhattacharyya ceased to be Independent Directors of the Company w.e.f. 30th July, 2019.

@Appointed as Independent Director w.e.f. 27th May, 2019

@@Appointed as Independent Director w.e.f. 26th July, 2019

#Ceased to be Chief Financial Officer w.e.f. close of business hours on 9th April, 2019.

##Appointed as Chief Financial Officer w.e.f. 10th April, 2019.

V. Indebtedness

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

(Rs. In Lakh)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,23,682	8,098	-	3,31,780
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3,156	-	-	3,156
Total (i+ii+iii)	3,26,838	8,098	-	3,34,936
Change in Indebtedness during the financial year				
• Addition	20,684	7,359	-	28,043
• Reduction	3,13,459	14,581	-	3,28,040
Net Change	-2,92,775	-7,222	-	-2,99,997
Indebtedness at the end of the financial year				
i) Principal Amount	34,010	876	-	34,886
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	53	-	-	53
Total (i+ii+iii)	34,063	876	-	34,939

VI. Remuneration of Directors and Key Managerial Personnel

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

(Rs. In Lakh)

Sl. No.	Particulars of Remuneration	Mr. Rajeev Jhawar, Managing Director	Mr. P K Jain, Jt. Managing Director [Deceased 17.05.2020]	Total
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	106.00	127.20	233.20
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	23.63	12.94	36.57
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	- - -	- - -	- - -
5	Others (includes PF, Gratuity, GPA, etc.)	19.44	-	19.44
	Total (A)	149.07	140.14	289.21
	Ceiling as per the Act	In view of absence of profits, the aforesaid remuneration was paid as minimum remuneration. The Shareholders at the 32nd Annual General Meeting held on 18th September, 2018 had approved the re-appointment of Mr. Rajeev Jhawar for a term of five years w.e.f. 19th May, 2018 and payment of minimum remuneration of Rs. 1.48 Crore p.a. for the period commencing from 19th May, 2018 till 18th May, 2021. Minimum Remuneration has been computed with reference to the 'effective capital' of the Company and as provided under Part II of Section II of Schedule V). Further the Minimum Remuneration excludes the contribution to provident fund, gratuity, etc.	In view of absence of profits, the aforesaid remuneration was paid as minimum remuneration. The shareholders of the Company at the Extra-ordinary General Meeting held on 30th March, 2019 had renewed his term upto 31st January, 2020. Further the Board of Directors of the Company at their meeting held on 6th February, 2020 had subject to the requisite approval of the shareholders had re-appointed him as the Joint Managing Director at a Minimum Remuneration of Rs. 1.40 crore p.a. The Minimum Remuneration has been computed with reference to the 'effective capital' of the Company and as provided under Part II of Section II of Schedule V). Further the Minimum Remuneration excludes the contribution to provident fund, gratuity, etc.	

B. Remuneration to other directors:

I. Independent Directors

(Rs. in Lakh)

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Mr. J Balakrishnan*	Mr. Salil Singhal*	Mr. V.S. Bapna**	Mr. P S Bhattacharyya*	Mr. Mukesh Rohatgi	Mrs. Ramni Nirula**	
1	Fee for attending board / committee meetings	5.00	5.00	3.50	4.00	6.50	4.50	28.50
2	Commission	-	-	-	-	-	-	-
3	Others	-	-	-	-	-	-	-
4	Total(1)	5.00	5.00	3.50	4.00	6.50	4.50	28.50

II. Other Non-Executive Directors

(Rs. in Lakh)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Brij Kishore Jhawar	Mr. Prashant Jhawar@	Mr. Venkatachalam Ramkrishna Iyer	
1	Fee for attending board / committee meetings	2.50	0.50	4.00	7.00
2	Commission	-	-	-	-
3	Others	-	-	-	-
4	Total(2)	2.50	0.50	4.00	7.00
	Total(B)=(1+2)				35.50

Total Managerial Remuneration	324.71
Overall Ceiling as per the Act	#

In view of absence of profits, the managerial remuneration was paid as 'minimum remuneration' to Executive Directors. Further, Non-Executive Directors were paid only sitting fees for attending Board and Committee Meetings.

* Mr. Salil Singhal, Mr. Jitender Balakrishnan and Mr. Partha Sarathi Bhattacharyya ceased to be Independent Directors of the Company on completion of their tenure of appointment as Independent Directors for a period of 5 years ended on 30th July, 2019.

** Mr. Vijay Singh Bapna was appointed as Independent Director of the Company for a term upto four consecutive years commencing from 27th May, 2019 and Mrs. Ramni Nirula was appointed as Independent Director of the Company for a term upto five consecutive years commencing from 26th July, 2019.

@ Mr. Prashant Jhawar, Non-Executive Promoter resigned from the Board of Directors with effect from 13th September, 2019.

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

(Rs. in Lakh)

Sl. no.	Particulars of Remuneration	Mr. Rohit Nanda, Chief Financial Officer (upto 9th April, 2019)	Mr. Anirban Sanyal Chief Financial Officer (w.e.f. 10th April, 2019)	Mrs. Shampa Ghosh Ray, Company Secretary	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	45.05	79.87	53.13	178.04
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.13	1.95	1.03	3.11
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	-others, specify	-	-	-	-
5	Others (includes PF, Gratuity, GPA, etc.)	0.08	4.35	2.13	6.57
	Total (A)	45.25	86.17	56.29	187.72
	Ceiling as per the Act	Not Applicable	Not Applicable	Not Applicable	Not Applicable

VII. Penalties / Punishment/ Compounding of offences

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty		No penalty/ punishment was imposed on the Company during the year.			
Punishment					
Compounding					
B. DIRECTORS					
Penalty		No penalty/ punishment was imposed on the Directors during the year.			
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty		No penalty/ punishment was imposed on the officers of the Company during the year.			
Punishment					
Compounding					

On behalf of the Board of Directors

Place : Kolkata
Date : 6th June, 2020

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole time Director
DIN: 02498037

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the THIRTY-FOURTH ANNUAL GENERAL MEETING of the members and shareholders of USHA MARTIN LIMITED will be held on Wednesday, the 23rd September, 2020 at 11:30 A.M (IST), through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact following business.

Ordinary Business :

1. Proposed to be passed as an Ordinary Resolution
To receive and adopt the Financial Statements of the Company (both standalone and consolidated) for the year ended 31st March, 2020 together with the Directors' and Auditors' Reports thereon.
2. Proposed to be passed as Special Resolution
To appoint a Director in place of Mr. Brij K Jawar (DIN: 00086200), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

To consider and if thought fit, to pass the following Resolutions:

3. As an Ordinary Resolution
"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), Rules made thereunder and read with Schedule V of the said Act (including any statutory modification(s) or re - enactments thereof, for the time being in force) and in terms of the recommendation of the Nomination & Remuneration Committee ("Committee") and as approved by Board of Directors ("Board") and subject to such approvals if any, as may be necessary, re-appointment of Late Pravin Kumar Jain (DIN: 02583519) as Joint Managing Director of the Company for the period commencing from 1st February, 2020 till 16th May, 2020 and payment of remuneration upto Rs. 40.55 Lakh within the applicable limits for the aforementioned period be and is hereby ratified."
"FURTHER RESOLVED THAT the Board of Directors (including any committee thereof) of the Company be and are hereby authorized to do all acts and take all such steps as may be proper or necessary to give effect to this resolution."
4. As an Ordinary Resolution
"RESOLVED THAT pursuant to the provisions of Section 152 and 160 of the Companies Act 2013 ("the Act") the appointment of Mr. Dhrub Jyoti Basu (DIN: 02498037) who was inducted in the Board as an Additional Director of the Company on 6th June, 2020 to hold office upto this Annual General Meeting of the Company and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member signifying his intention to propose Mr. Basu's candidature for the office of the Director be and is hereby appointed as Director of the Company liable to retire by rotation."
"FURTHER RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), Rules made thereunder and read with Schedule V to the said Act (including any statutory modification(s) or re - enactments thereof, for the time being in force) and in terms of the recommendation of the Nomination & Remuneration Committee ("Committee") and as approved by Board of Directors ("Board"), and subject to such approvals if any, as may be necessary, consent of the Company be and is hereby accorded to the appointment of Mr. Dhrub Jyoti Basu (DIN: 02498037) as Whole Time Director of the Company for a term of three years effective from 6th June, 2020 to 5th June, 2023 and at a remuneration of an amount not exceeding Rs. 1 crore per annum for the aforementioned period, with liberty to the Board / Committee to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Board and Mr. Basu within such overall ceiling."
"FURTHER RESOLVED THAT during the aforementioned tenure of Mr. Basu's appointment as Whole Time Director of the Company, if the Company incurs a loss or its profits are inadequate, subject to the other applicable provisions of the Act (including any statutory modification(s) or re-enactment thereof) and subject to such approvals if any, as may be required, consent of the Company be and is hereby accorded to pay Mr. Basu, the above remuneration including perquisites as 'minimum remuneration' (computed with reference to the 'effective capital' of the Company as on the preceding financial year in accordance with the Act) and that Board of the Company be and is hereby empowered to decide remuneration of any amount and other retirement or other benefits or components as may be recommended by the Committee, within such overall ceiling."
"FURTHER RESOLVED THAT the Board of Directors (including any Committee thereof) of the Company be and are hereby authorized to do all acts and take all such steps as may be proper or necessary to give effect to this resolution."
5. As an Ordinary Resolution
"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in

force), the remuneration of Rs. 1,05,000 per annum (plus service tax as applicable and reimbursement of actual out of pocket expenses) payable to Messers Guha, Ghosh, Kar & Associates, the Cost Auditors for conducting the cost audit of the Company's units as may be required under the Act and Rules made thereunder for the Financial Year ending 31st March, 2021, be and is hereby ratified and confirmed."

By Order of the Board

Place : Kolkata
Date : 6th June, 2020

Shampa Ghosh Ray
Company Secretary
ACS 16737

Notes :

- 1) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular no. 20/2020 dated 5th May, 2020 read with General Circular Nos. 14/2020 dated 8th April, 2020 and 17/2020 dated 13th April, 2020 respectively (collectively referred to as "MCA Circulars") and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 have permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. National Securities Depositories Limited ('NSDL') will be providing facility for voting through remote e-voting, participation in the AGM through VC / OAVM facility and e-voting during the AGM. The Registered Office of the Company situated at 2A Shakespeare Sarani, Kolkata 700071 shall be deemed to be the venue of the Meeting.
- 2) **Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI etc.) are entitled to appoint authorised representatives in terms of Section 113 of the Act to attend the AGM through VC/OAVM and participate thereat and cast their votes through remote e-voting or e-voting during the AGM.**
- 3) The Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning quorum under Section 103 of the Act.
- 4) Since the meeting is being held through VC/OAVM, the route map, proxy form and attendance slip are not annexed to the notice.
- 5) The Explanatory Statement pursuant to Section 102 of the Act setting out details relating to Items of Special Business is annexed hereto.
- 6) The Registers of Members and Share Transfer Books of the Company shall remain closed from 17th September, 2020 till 23rd September, 2020 (both days inclusive).
- 7) a) The shareholders of the Company are informed that the amount of dividend which remains unclaimed for a period of 7 years would be transferred to the Investor Education and Protection Fund ["the Fund"] constituted by the Central Government and the shareholder(s) would be able to claim any amount of the dividend so transferred to the Fund. No dividend was declared for the Financial Year ending 31st March, 2012 and accordingly the unclaimed/unpaid dividend declared for the Financial Year ended 31st March, 2013 shall be eligible for transfer to the said Fund on or after 5th September, 2020.
b) The shareholders who have not encashed their earlier dividend warrants for the Financial Year end 31st March, 2013 are requested to write to the Company/ Register & Transfer Agent before 5th September, 2020 for claiming unpaid dividends declared by the Company.
- 8) a) Pursuant to the relevant provisions of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), as amended, all shares in respect of which dividend has not been paid or claimed by the shareholder for seven consecutive years or more, the Company is required to transfer such Equity Shares of the members to the demat account of the Investor Education and Protection Fund ('IEPF') Authority. The Company had sent necessary communication to all Shareholders concerned and had also published notices in newspapers in this regard. The Company has also uploaded full details of such shareholders, whose dividend remained unclaimed on its website www.ushamartin.com. The Company will do the needful in connection with transfer such shares to the demat account of IEPF Authority, as required.
b) However, the members/ claimants whose shares and/or dividends, if any, have been transferred to the Fund may claim the shares or apply for refund by making an online application to IEPF Authority in Form IEPF-5 (available on iepf.gov.in).
- 9) Members holding shares in more than one folio are requested to write to the Company's Registrar & Transfer Agent, namely, MCS Share Transfer Agent Limited, 383, Lake Gardens, Kolkata-700045 for consolidation of holding into one folio and also send the relevant Share Certificates for this purpose.
- 10) As per RBI notification, with effect from 1st October, 2009, the remittance of money through ECS was replaced by National Electronic Clearing Service (NECS) and banks have been instructed to move to the NECS Platform. Shareholders holding shares in electronic form are requested to furnish to your Depository Participant the new bank account number as allotted to you by the Bank after implementation of its Core Banking Solutions along with a photocopy of a cheque pertaining to the concerned bank account.
- 11) As per SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Members of the Company who hold securities in physical form and intend to transfer their securities after 1st April, 2019, can do so only in dematerialized form. Therefore, Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares for ease of portfolio management as well as for ease of transfer, if required. In view of the same and to avail the in-built advantages of NECS payment, nomination facility and other advantages, the shareholders are requested to dematerialize their shares. The ISIN of the Company is INE228A01035.

- 12) SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Further, in accordance with SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 all Members holding shares in physical form are requested to register their PAN and bank account details by submitting their self-attested copy PAN Card (including that of the joint holders also) and an original cancelled cheque or submit copy of bank passbook /statement of the holder attested by the bank to MCS Share Transfer Agent Limited (Unit: Usha Martin Limited), 383, Lake Gardens, 1st Floor, Kolkata - 700045, the Registrar and Share Transfer Agent (RTA) of the Company.
- 13) In accordance with the MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May, 2020 and owing to the difficulties involved in dispatching of physical copies of Annual Report to the members, electronic copy of the Annual Report for 2019–20 is being sent to all members whose email IDs are registered with the Company/Depository Participants(s) for communication purpose. Members may note that the Notice convening the AGM and Annual Report 2019–20 will also be available on the Company's website at www.ushamartin.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at <https://www.evoting.nsdl.com>.
- 14) Electronic copy of the Notice of the 34th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting is being sent to all Members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes. For Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email address by writing to investor@ushamartin.co.in to receive Annual Report. Members holding shares in dematerialized mode and who have not registered their email address are requested to update their email address with the relevant depository participant to receive Annual Report.
- 15) The Notice of the 34th Annual General Meeting and the Annual Report for 2019–20 will be available on the Company's website **www.ushamartin.com**. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and all the relevant documents (if applicable) pertaining to the resolutions proposed vide this notice of AGM will be available electronically for inspection by the members during the AGM. Members seeking to inspect such documents can send an email to investor@ushamartin.co.in.
- 16) (a) As per the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, Secretarial Standard on General Meetings (SS2) issued by Institute of Company Secretaries of India and Regulations 44(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing remote e-voting (Electronic Voting) facility to its Members to cast their votes electronically on all Resolutions set forth in this Notice convening the 34th Annual General Meeting. Members attending the AGM through VC/OAVM and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
- (b) The Company has engaged the services of National Services Depository Limited ("NSDL") as the authorised agency to provide remote e-voting and e-voting during the AGM facilities as specified more fully in the instructions thereunder.
- (c) The items of business set out in the attached notice may, however, be transacted also through the electronic voting system as an alternative mode of voting provided that once a vote on a Resolution is cast, a Member shall not be allowed to change it subsequently or cast the vote again.
- (d) Members who have not cast their votes through remote e-voting may attend and cast their votes at the Annual General Meeting through the e-voting system.
- (e) Members who have cast their votes through remote e-voting prior to the Meeting may attend the meeting but shall not be entitled to cast their vote again.
- 17) A Person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the "cut-off date" i.e. 16th September, 2020 shall be entitled to avail the facility of either remote e-voting or voting at the Annual General Meeting through e-voting. A Person who is not a Member on the cut-off date should treat this Notice for information purpose only.
- 18) Instructions for members for attending the AGM through VC/OAVM are as under:
- Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
 - Members are encouraged to join the Meeting through laptops or desktops for better experience.
 - Members will be required to allow camera and use internet connection with good speed to avoid any disturbance during the meeting.
 - Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
 - Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker and send their request mentioning their name, demat account number/folio number, email id, mobile number at investor@ushamartin.co.in. The Speaker Registration will be open during 14th September, 2020 to 16th September, 2020. Only those members who have registered themselves as a speaker will be allowed to express their views / ask questions during the AGM. Please note that only questions of the members holding shares as on cut-off date will be considered.

- vi. Shareholders who would like to express their views/have questions may send their questions at least five days in advance before the date of AGM i.e. by 18th September, 2020 mentioning their name, demat account number/folio number, email id, mobile number at investor@ushamartin.co.in. The same will be replied by the company suitably.
- vii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. However, 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.
- viii. Infrastructure, connectivity and internet connection speed available at the speaker's location are essential to ensure smooth interaction. In the interest of time, each speaker is requested to express his / her views in 2 – 3 minutes.

19) For those Members opting for remote e-voting, the process and manner of remote e-voting will be as follows:

The remote e-voting period begins from **9.00 A.M. on 20th September, 2020** and ends at **5.00 P.M. on 22nd September, 2020**. During this period, Members of the Company, holding Shares either in physical form or in de-materialised form, as on the **cut-off date ("record date") i.e. 16th September, 2020**, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. The facility for e-voting shall be made available at the AGM to the Members as on the **"cut-off date" i.e. record date**, attending the Meeting, who have not cast their vote by remote e-voting, shall be able to exercise their right to vote at the Meeting.

Instructions for voting electronically using NSDL e-Voting system

I. Step 1 :- Log-in to NSDL e-Voting system at <https://www.evoting.nsd.com/>

- A. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.
- B. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- C. A new screen will open. Please enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to 19(II) i.e. Cast your vote electronically.
- D. Your User ID details are given below :

	Shareholding in Demat Form with		Shareholding in Physical form
	NSDL	CDSL	
User ID	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- E. Your password details are given below:
 - i) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - ii) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - iii) How to retrieve your 'initial password'?
If your email ID is registered in your Demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - iv) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
 - v) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 - vi) Now, you will have to click on "Login" button.
 - vii) After you click on the "Login" button, Home page of e-Voting will open.

- II. Steps 2 :- Cast your vote electronically on NSDL e-Voting system.
- A. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
 - B. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
 - C. Select "EVEN" of company for which you wish to cast your vote.
 - D. Now you are ready for e-Voting as the Voting page opens.
 - E. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
 - F. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - G. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 - H. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Instruction for voting electronically using NSDL e-Voting system on the day of AGM :

- (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 Members who will be 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 in the AGM.
- (iii) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- (iv) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

General Guidelines for shareholders

- (i) Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to aklabhcs@gmail.com with a copy marked to evoting@nsdl.co.in.
 - (ii) In case of joint holders joining the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
 - (iii) Members are requested to participate on first come first serve basis, as participation through VC/OAVM is limited. Participation is restricted upto 1000 members only. However, the participation of members holding 2% or more is not restricted on first come first serve basis. Members can login and join 15 (fifteen) minutes prior to the scheduled time of meeting and the same shall be kept open till the expiry of 15 (fifteen) minutes after the scheduled time.
 - (iv) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
 - (v) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in. In case of any grievances connected with facility for remote e-voting or e-voting at the AGM, please contact Ms. Pallavi Mhate, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400 013, **Email: evoting@nsdl.co.in/pallavid@nsdl.co.in**, Telephone: 91 22 2499-4545/1800-222-990. Further queries relating to voting by electronic means or Resolutions proposed to be passed at the ensuing Annual General Meeting (AGM) may be addressed to the Company Secretary at email : investor@ushamartin.co.in
- 20) Members whose email addresses are not registered with the depositories for procuring User ID and Password and registration of e-mail address for e-voting for the resolutions set out in this notice:
- (i) In case shares are held in physical mode please provide Folio No., name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by email to Registrar & Transfer Agent i.e. MCS Share Transfer Agent Limited at mcssta@rediffmail.com.
 - (ii) In case shares are held in demat mode, please register/update email address with Depository Participant.
 - (iii) Members may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing their DPID and Client ID (16 digit DPID and CLID or 16 digit beneficiary ID).
- 21) Any person who acquires shares and become a Member of the Company after sending of Notice for the AGM through email and is holding shares as on the cut - off date i.e. 16th September , 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or investor@ushamartin.co.in.
- 22) The Board of Directors of the Company has appointed Mr. Atul Kumar Labh, Practicing Company Secretary (FCS-4848/CP-3238) of M/s A K Labh & Co., Company Secretaries, Kolkata as Scrutinizer to scrutinize the e-voting at AGM and remote e-voting process in a fair and transparent manner. He has communicated his willingness to be appointed and will be available for the said purpose.
- 23) Voting rights of Members shall be in proportion to their shares in Company's Paid-up Equity Capital as on the cut-off date.
- 24) The Chairman shall at the end of discussion on the Resolutions on which voting are to be held, allow voting by e-voting system by NSDL at the AGM.

- 25) The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting unblock the votes cast through remote e-voting and e-voting at the AGM.
- 26) The Scrutinizer will not later than forty eight hours of conclusion of the Meeting, make a consolidated scrutiniser's report and submit the same to the Chairman or the Managing Director or the Whole time Director. The results declared along with the consolidated scrutiniser's report shall be placed on the website of the Company www.ushamartin.com and on the website of NSDL www.evoting.nsdl.com. The results shall simultaneously be communicated to the Stock Exchanges and displayed on the Notice Board of the Company at the Registered Office at 2A, Shakespeare Sarani, Kolkata – 700 071.
- 27) On receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the Annual General Meeting.
- 28) Members who need assistance before or during the AGM for participation in the AGM through VC/OAVM or electronic e-voting, may contact with NSDL on evoting@nsdl.co.in/**1800-222-990** or contact Mr. Amit Vishal, Senior Manager, NSDL at amitv@nsdl.co.in/**+91-22- 24994360** or Ms. Pallavi Mhate, Manager, at pallavid@nsdl.co.in/**+91-22-24994545**.
- 29) Pursuant to the requirements of Regulations 17 (1A) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [as amended] and Secretarial Standard on General Meeting (SS-2), information about the Directors and justification for proposed re-appointment / appointment are given below:

Name of the Director	Mr. Brij Kishore Jhawar	Mr. Dhrub Jyoti Basu	Late Pravin Kumar Jain (deceased on 17th May, 2020)
Director Identification Number	00086200	02498037	02583519
Date of joining the Board	27th October, 2004	6th June, 2020	1st February, 2010
Profile of Director / Brief resume of the director (including nature of his expertise) and justification under Regulation 17 (1A) for the proposal for his re-appointment, where applicable.	<p>Mr. Brij K Jhawar, Director, aged about 83 years is a science graduate and one of the founders of the Usha Martin Group. He did his Mechanical Engineering from Jadavpur University, Kolkata and was granted Diploma of Fellowship of the Institution of Engineers (India) in the year 1987 for his outstanding contribution to the progress and advancement of the mechanical engineering fraternity. He has been deeply involved in the operations of the manufacturing facilities situated at Ranchi and Hoshiarpur. He is a great believer in human values and human resources development. He is very conscious of industries' social obligations and is actively involved in social work.</p> <p>Considering his vast experience of the Wire Rope Business and contribution in co-promoting and developing the Company his re-appointment as a Non – Executive Director is being proposed for approval of the shareholders.</p>	<p>Mr. Dhrub Jyoti Basu, aged about 62 years is a B.Sc. (Hons.) and a PGD in Personnel Management & Industrial Relations. With over four decades of experience in human resource development and industrial relations he has in the past been associated with companies like GKW Ltd., Lafarge India Ltd. and BOC. Mr. Basu has been associated with the Usha Martin group for nearly two decades.</p>	<p>Late Pravin Kumar Jain, Joint Managing Director aged 66 years, was B.Tech (Mechanical Engineering) and MBA (General Management & Finance). Late P K Jain commanded rich experience in operations, project implementation, product marketing, brand building, setting up dealers and distribution networks apart from in fields of production, maintenance quality cost optimization etc. He had widely travelled across various locations during his professional career. He was associated with the Company for over three decades.</p>
Disclosure of relationships between directors inter-se and interest in the said resolution	<p>Mr. Brij Kishore Jhawar is the father of Mr. Rajeev Jhawar, Managing Director of the Company.</p> <p>Further except Mr. Brij Kishore Jhawar, Mr. Rajeev Jhawar and their respective family members, no other Director or Key Managerial Personnel of the Company or their relatives have any concern or interest, financial or otherwise, in the Resolution set out at Item No. 2 of the Notice.</p>	<p>Mr. Basu is not related to any of the Directors and Key Managerial Personnel of the Company.</p> <p>Further except Mr. Basu and his family members, no other Director or Key Managerial Personnel of the Company or their relatives have any concern or interest, financial or otherwise, in the Resolution set out at Item No. 4 of the Notice.</p>	<p>Late Pravin Kumar Jain was not related to any other Director or Key Managerial Personnel of the Company. Further except family members of Late P K Jain, no other Director or Key Managerial Personnel of the Company or their relatives have any concern or interest, financial or otherwise, in the Resolution set out in Item No. 3 of the Notice.</p>

Name of the Director	Mr. Brij Kishore Jhavar		Mr. Dhruv Jyoti Basu		Late Pravin Kumar Jain (deceased on 17th May, 2020)	
No. of shares held in the Company	945,865 (as on 31st March, 2020)		NIL (as on 6th June, 2020)		10,000 (as on 31st March, 2020)	
Directorship / Committee Membership / Chairmanship in other Companies	Directorship in other Companies	Committee position held	Directorship in other Companies	Committee position held	Directorship in other Companies (as on 16th May, 2020)	Committee position held
	NIL		Bharat Minex Private Limited	-	Neutral Publishing House Limited	-
			Neutral Publishing House Ltd.	-	U M Cables Limited	Audit Committee (Chairman)
			Gustav Wolf Speciality Cords Limited	-	CCL Usha Martin Stressing Systems Limited	-
			CCL Usha Martin Stressing Systems Limited	-	Gustav Wolf Speciality Cords Limited	-
			Usha Martin Power & Resources Limited	-		
			U M Cables Limited	Corporate Social Responsibility Committee		
Remuneration	Presently Mr. Jhavar is not drawing any remuneration, except sitting fees for attending Meetings of the Board and its' Committees in which he is a Member.		An amount not exceeding Rs.1 crore per annum for the period commencing from 6 th June, 2020 till 5 th June, 2023 is proposed to be paid to Mr. D J Basu.		Late Pravin Kumar Jain received a remuneration of Rs.1.44 Crore for the period 5 th February, 2019 – 31 st January, 2020. Further, remuneration of upto Rs. 41 Lakh within the applicable limits for the period 1 st February, 2020 till 16 th May, 2020 has been paid to him before his demise on 17 th May 2020	
Number of Meetings of the Board attended during the Financial Year 2019-20	Mr. Jhavar had attended 2 Board Meetings.		Not Applicable		Late Pravin Kumar Jain had attended 6 Board Meetings.	

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

Item No. 2

The Members at the Thirty-second Annual General Meeting of the Company held on 18th September, 2018 re-appointed Mr. Brij Kishore Jhawar (DIN:00086200) as a Non-Executive Director of the Company. Further as Mr. Jhawar had already attained the age of 81 years, the members at the Extra Ordinary General Meeting held on 30th March, 2019 pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations') vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 which became effective from 1st April, 2019 had approved a special resolution for continuation in office as director by Mr. Brij K Jhawar beyond 31st March, 2019.

Mr. Brij K Jhawar is a science graduate and one of the founders of the Usha Martin Group. He did his Mechanical Engineering from Jadavpur University, Kolkata and was granted Diploma of Fellowship of The Institute of Engineers (India) in the year 1987 for his outstanding contribution to the progress and advancement of the mechanical engineering fraternity. He is a great believer in human values and human resource development and is actively involved in various social activities.

Considering his vast experience of the Wire Rope Business and contribution in co-promoting and developing the Company his re-appointment as a Non – Executive Director and since he has already attained the age of 83 years his re-appointment is being proposed for approval of the shareholders through a special resolution as mentioned in Item No. 2 of the accompanying Notice.

Other than Mr. Brij Kishore Jhawar, Mr. Rajeev Jhawar and their respective family members, no other Director or Key Managerial Personnel of the Company or their relatives have any concern or interest, financial or otherwise, in the Resolution set out at Item No. 2 of the Notice. As per Section 102(2) of the Act, it is clarified that the proposed Resolution does not relate to or affect any other Company. The information pursuant to the requirements of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) has been provided at Point 29.

Item No. 3

Late Pravin Kumar Jain [DIN:02583519] was appointed as Joint Managing Director (Wire & Wire Rope Business) by the shareholders of the Company at the Extra Ordinary General Meeting of the Company held on 16th March, 2015 for a term of about 4 years with effect from 1st February, 2015 till 15th January, 2019. He was re-appointed as the Joint Managing Director (Wire & Wire Rope Business) by the shareholders of the Company at the Extra Ordinary General Meeting of the Company held on 30th March, 2019 for a term of about one year with effect 5th February, 2019 till 31st January, 2020. In view of his long association of over three decades with the Company in various capacities and rich experience in handling operations, project implementation, product marketing, brand building, setting up dealers and distribution networks, production and cost optimization, the Board of Directors on recommendation of Nomination & Remuneration Committee of the Board of Directors at their meeting held on 20th January, 2020 had re-appointed Late Pravin Kumar Jain as Joint Managing Director of the Company for a further term of one (1) year effective from 1st February, 2020 to 31st January, 2021 and payment of remuneration to him for the aforesaid period subject to the necessary approval of the Shareholders on the following broad terms.

- a) Basic Salary & Allowances including the value of the following perquisites not to exceed the consolidated amount of Rs.1.40 Crore per annum computed in accordance with Section II of Part II of Schedule V to Companies Act, 2013 with reference to the 'effective capital' of the Company as on 31st March 2019:
 - (i) Residential Accommodation: Company leased furnished residential accommodation (including free electricity/maintenance/generator).
 - (ii) Car : One no. with one driver (including running and maintenance expenses);
 - (iii) Club fees : Membership and monthly subscription of one club;
 - (iv) Medical expense : To be reimbursed as per actuals;
 - (v) Telephone : Telephone at residence and mobile phone;
 - (vi) Leave Travel Allowances : 10% of Basic Salary.
- b) Leave: As per the Rules of the Company;
- c) The retiral benefits in the nature of company's contribution towards Provident Fund, Superannuation and Gratuity shall be as per Rules of the Company. The aggregate of these shall be over and above the limit specified in (a) above;
- d) No fees shall be payable for attending meetings of the Board or any Committee thereof, where so appointed.
- e) The total remuneration (excluding contributions to provident fund, superannuation fund and gratuity) payable shall not exceed Rs.1.40 crore per annum as computed in accordance with Section II of Part II of Schedule V to the Act with reference to the 'effective capital' of the Company as on 31st March 2019.
- f) In the event of loss/inadequacy of profits during his tenure, the above remuneration including perquisites shall be payable as 'minimum remuneration' (computed with reference to the 'effective capital' of the Company as on the preceding financial year), subject to such approvals as may be necessary including that of Shareholders of the Company under Schedule V to the Act.

However, after a brief illness Mr. Jain deceased on 17th May, 2020.

The re-appointment as well as remuneration paid to Late Pravin Kumar Jain for the period 1st February, 2020 till 16th May, 2020 requires ratification by the Members of the Company in the General Meeting. The appointment and remuneration paid to Late Pravin Kumar Jain for the aforementioned period satisfies the applicable provisions of the Act and conditions laid down in Schedule V to the Act. The Board of Directors recommends the Ordinary Resolution set out at Item No. 3 for approval of members.

No other Director or Key Managerial Personnel of the Company or their relatives have any concern or interest, financial or otherwise, in the Resolution set out at Item No. 3 of the Notice. As per Section 102(2) of the Act, it is clarified that the proposed Resolution does not relate to or affect any other Company. The information pursuant to the requirements of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) has been provided at Point 29.

Information required to be disclosed under the Second Proviso to Section-II(B), Part-II of Schedule V of the Act is as follows :

- (i) The proposed remuneration has been approved by a Resolution of the Nomination and Remuneration Committee and the Board;
- (ii) The Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, and in case of default, the prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, shall be obtained by the Company before obtaining the approval from the Members;

(iii) Consent of the Members through an Ordinary Resolution is being sought for remuneration paid for a period commencing from 1st February, 2020 till 16th May, 2020;

(iv) A statement containing further information is set out hereunder :

I. General Information:

- i. Nature of industry :** The Company is in the business of manufacturing wire & wire ropes.
- ii. Date or expected date of commencement of commercial production:** The Company is in operation since the year 1986.
- iii. In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not applicable
- iv. Financial performance based on given indicators :**

(Rs. In Lakh)

Particulars	31.03.2020	31.03.2019	31.03.2018
Revenue from continuing operations	1,39,262	1,70,803	138,665
Profit/(Loss) before Tax from continuing operations	11,471	16,400	12,134
Tax Expenses	20,075	(23,468)	-
Profit/(Loss) for the Year from continuing operations	(8,604)	39,868	12,134
Equity Share Capital	3,054	3,054	3,054

- v. Foreign investments or collaborations, if any :** There are no foreign collaborations at present. However, foreign investors are holding equity in the Company.

II. Information about the appointee:

- i. Background details :** Late P K Jain (DIN: 02583519), held qualification as B.Tech (Mechanical Engg.) and MBA (General Management & Finance). Late P K Jain had rich experience in operations, project implementation, product marketing, brand building, setting up dealers and distribution networks apart from in fields of production, maintenance quality cost optimization etc. during his total work experience of three decades in wire, wire ropes and related areas across various companies in India and abroad.
- ii. Past remuneration :** Late Pravin Kumar Jain was paid the following remuneration during each of the preceding three financial years:

(Rs. In Lakh)

	FY ended 31st March, 2019	FY ended 31st March, 2018	FY ended 31st March, 2017
Salary	138.65	160.76	166.20
Contribution to Provident Fund, Gratuity and Superannuation Fund	7.74	12.32	11.64
Perquisites	12.23	11.93	11.88
Total	158.62	185.01	189.72

- iii. Recognition or awards :** Due to his able guidance, the Company has earned recognition for its products.
- iv. Job profile and his suitability :** During his tenure, Late P K Jain as Joint Managing Director subject to the supervision and control of the Board of Directors was responsible for overall management of the affairs of the Company. He was also responsible to perform such other duties entrusted to him by the Board from time to time.
- v. Remuneration paid :** As set out in Resolution No. 3 of the accompanying Notice convening AGM.
- vi. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):** Having regard to the size of the Company, versatile experience and expertise of Late P K Jain and responsibilities of the position held by him during his tenure, the Board of Directors is of the opinion that the remuneration paid to Late P K Jain was reasonable.
- vii. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:** Late P K Jain was holding 10,000 equity shares of Re. 1 each (as on 31st March, 2020).

III. Other information :

1. Reasons of loss or inadequate profits :

The external environment in the global economy as well as Indian economy continued to remain challenging. Slow growth in the economy, huge debt burden in earlier years along with working capital crunch continued to adversely impact the Company's performance.

2. Steps taken or proposed to be taken for improvement :

With an objective to deleverage the balance sheet of the Company, the Company had entered into a business transfer agreement with Tata Steel Long Products Limited (formerly Tata Sponge Iron Limited) for transfer of the Steel Business Undertaking (inter alia comprising of steel manufacturing facility, an operative iron ore mine, coal mine under development, captive power plants, plant and machinery of straight bar facility) of the Company by way of slump sale on going concern basis. A significant portion of debt has been repaid by the Company after receiving cash consideration from Tata Steel Long Products Limited towards sale of Steel Business Undertaking. In the aftermath of sale of the steel business undertaking, the Company is steadily consolidating its raw material coverage position from various sources and no crisis is envisaged due to raw material shortage. Growth momentum in the domestic economy as well as global recovery are expected to help reinforce the Wire and Wire Rope business. The Company also continues to invest as part of its long term cost optimization plans in plant equipment, infrastructure facilities and strengthening systems & processes.

3. Expected increase in productivity and profits in measurable terms :

The above measures being undertaken are expected to yield positive results in the coming years. While it is difficult to give precise figures, the above initiatives are expected to improve the financial performance of the Company.

IV. Disclosures :

- a. The remuneration package of the managerial personnel is for the period 1st February, 2020 till 16th May, 2020.
- b. The following information had already been disclosed in the Board of Directors' Report under the heading 'Corporate Governance' attached to the Annual Report for the year ended 31st March, 2019 and is being further disclosed in the Annual Report for the year ended 31st March, 2020.
 - i. All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc. of the directors.
 - ii. Details of the fixed components and performance linked incentive along with performance criteria.
 - iii. Service contracts, notice period, severance fees.
 - iv. Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

The relevant extracts of the disclosures made in the Board of Directors' Report under the heading 'Corporate Governance' attached to the Annual Report for the year ended 31st March, 2019 in respect of the remuneration of Late Pravin Kumar Jain are reproduced herein under for ready reference:

"The break-up of remuneration paid to the Joint Managing Director for the financial year 2018-19 is given below :

(Rs. in Lakh)

Name	Mr. Pravin Kumar Jain*
Position	Jt. Managing Director [Wire & Wire Rope Business]
Period	FY 2018 – 19
Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	138.65
Value of perquisites u/s 17(2) Income-tax Act, 1961	12.23
Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
Others (includes PF, Gratuity, GPA, etc.)	7.74
Commission	-
Total	158.62
Service Contract	For a period from 1st February, 2015 to 15th January, 2019 which was further renewed till 31st January, 2020 from 5th February, 2019.
Notice Period	3 months from either side
Severance Fees	3 months' salary in lieu of notice.
Stock Options	None

- * Mr. Pravin Kumar Jain was re-appointed as Jt. Managing Director [Wire & Wire Rope Business] effective 1st February, 2015 to 15th January, 2019 which was subsequently approved by the shareholders at the Extra Ordinary General Meeting held on 16th March, 2015. Subsequently, the Central Government approved the remuneration payable to Mr. Jain as Jt. Managing Director at a consolidated minimum remuneration upto Rs.1.93 Cr p.a. for the period commencing from 1st February, 2015 till 31st January, 2018. The shareholders at the Thirty Second Annual General Meeting of the Company have approved payment of Rs.1.48 Cr. p.a. as minimum remuneration (computed with reference to the 'effective capital' of the Company and as provided under Part II of Section II of Schedule V of the Act) to Mr. Pravin Kumar Jain for the period commencing from 1st February, 2018 to 15th January, 2019. Further, the Nomination & Remuneration Committee and Board of Directors, at their respective Meetings held on 5th February, 2019 subject to approval of shareholders, have approved the re-appointment of Mr. Pravin Kumar Jain as Jt. Managing Director [Wire & Wire Rope Business] for a period of about 1 year effective from 5th February, 2019 to 31st January, 2020. The remuneration to be paid to Mr. Jain shall not exceed Rs.1.44 Crore per annum (computed with reference to the 'effective capital' of the Company and as provided under Part II of Section II of Schedule V of the Act) for the said period. Approval of shareholders in this regard has been obtained at the Extra – Ordinary General Meeting of the Company held on 30th March 2019. Mr. Pravin Kumar Jain was paid minimum remuneration for the Financial Year 2018-19. Further, in accordance with Schedule V of the Act, the minimum remuneration determined does not include the Company's 'Contribution to Provident Fund' and 'Contribution to Gratuity Fund'.

No stock options have been given to the Director.

- c. The Company has not made any default in payment of any debts or debentures or interest payable thereon for a continuous period of 30 days in the preceding financial year ended 31st March, 2020.

Item No. 4

The Board of Directors on recommendation of Nomination and Remuneration Committee of the Board of Directors at their meeting held on 6th June, 2020 inducted Mr. Dhruv Jyoti Basu [DIN: 02498037] as an Additional Director to the Board of Directors of the Company. He was appointed as Whole Time Director of the Company designated as Executive Director – HR for a term of three years with effect from 6th June, 2020 and payment of remuneration to him for the aforesaid period subject to the necessary approval of the Shareholders on the following broad terms :-

- a) Basic Salary & Allowances including the value of the following perquisites shall not exceed the consolidated amount of upto Rs. 60 Lakhs per annum computed in accordance with Section II of Part II of Schedule V to Companies Act, 2013 with reference to the 'effective capital' of the Company as on 31st March 2020:
 - (i) Club fees : Membership and monthly subscription of one club;
 - (ii) Medical expense : To be reimbursed as per actuals;
 - (iii) Communication facilities: One mobile phone;

- (iv) Leave Travel Allowances : 10% of Basic Salary;
- (v) Car Allowance: To be reimbursed as per actuals.
- b) He shall be entitled to:
 - (i) annual increment from time to time during the tenure of three years as may be decided by the Board of Directors including any Committee thereof;
 - (ii) annual performance incentive based on the assessment of his as well as the Company's performance by the management, where such incentive amount shall not exceed Rs. 15 lakhs per annum.
 which shall be over and above the limit specified in (a) above.
- c) Leave: As per the Rules of the Company;
- d) The retiral benefits in the nature of company's contribution towards Provident Fund, Superannuation and Gratuity shall be as per Rules of the Company. The aggregate of these shall be over and above the limit specified in (a) above;
- e) No fees shall be payable for attending meetings of the Board or any Committee thereof, where so appointed.
- f) The aggregate of the remuneration mentioned in (a) & (b) above (excluding contributions to provident fund, superannuation fund and gratuity) payable shall not exceed Rs.1 crore per annum which is within the overall limit computed in accordance with Section II of Part II of Schedule V of the Act with reference to the 'effective capital' of the Company as on 31st March 2020.
- g) In the event of loss/inadequacy of profits during his tenure, the above remuneration of Rs.1 Crore per annum including perquisites shall be payable as 'minimum remuneration' (computed with reference to the 'effective capital' of the Company as on the preceding financial year), subject to such approvals as may be necessary including that of Shareholders of the Company under Schedule V to the Act.

The appointment as well as remuneration payable to Mr. Basu requires the approval of the Members the Company in the General Meeting. The above appointment and remuneration payable to Mr. Basu on the terms proposed satisfies the applicable provisions of the Act and conditions laid down in Schedule V to the Act. The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 for approval of members.

Other than Mr. Basu and his family members, no other Director or Key Managerial Personnel of the Company or their relatives have any concern or interest, financial or otherwise, in the Resolution set out at Item No. 4 of the Notice. As per Section 102(2) of the Act, it is clarified that the proposed Resolution does not relate to or affect any other Company.

The information pursuant to the requirements of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) has been provided at Point 29.

Information required to be disclosed under the Second Proviso to Section-II(B), Part-II of Schedule V of the Act is as follows :

- (i) The proposed remuneration has been approved by a Resolution of the Nomination and Remuneration Committee and the Board;
- (ii) The Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, and in case of default, the prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, shall be obtained by the Company before obtaining the approval from the Members;
- (iii) Consent of the Members through an Ordinary Resolution is being sought for payment of the remuneration for a period of three years;
- (iv) a statement containing further information is set out hereunder :

I. General Information :

- i. Nature of industry :** The Company is in the business of manufacturing wire & wire ropes.
- ii. Date or expected date of commencement of commercial production :** The Company is in operation since the year 1986.
- iii. In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not applicable
- iv. Financial performance based on given indicators :**

(Rs. In Lakh)

Particulars	31.03.2020	31.03.2019	31.03.2018
Revenue from continuing operations	1,39,262	1,70,803	138,665
Profit/(Loss) before Tax from continuing operations	11,471	16,400	12,134
Tax Expenses	20,075	(23,468)	-
Profit/(Loss) for the Year from continuing operations	(8,604)	39,868	12,134
Equity Share Capital	3,054	3,054	3,054

- v. Foreign investments or collaborations, if any:** There are no foreign collaborations at present. However, foreign investors are holding equity in the Company.

II. Information about the appointee:

- i. Background details :** Mr. Dhruv Jyoti Basu, aged about 62 years is a B.Sc. (Hons.) and a PGD in Personnel Management & Industrial Relations. With over four decades of experience in human resource development and industrial relations he has in the past been associated with companies like GKW Ltd., Lafarge India Ltd. and BOC. Mr. Basu has been associated with the Usha Martin group for nearly two decades.
- ii. Past remuneration :** Not Applicable.
- iii. Recognition or awards :** Mr. Basu has over four decades of experience in human resource development and industrial relations.
- iv. Job profile and his suitability :**

Mr. Basu as Whole Time Director is designated as Executive Director - HR subject to the supervision and control of the Board of Directors. He shall be responsible for overall management of the affairs of the Company, with particular focus on Industrial Relations, Human

Resource Development, Administration and CSR activities. He is also responsible to perform such other duties as may from time to time be entrusted to him by the Board. Taking into consideration his qualification, experience and expertise in the affairs and activities of the Company, he is best suited for the responsibilities assigned to him by the Board of Directors.

v. Remuneration proposed : As set out in Resolution No. 4 of the accompanying Notice convening AGM.

vi. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) : Having regard to the size of the Company and Mr. Basu's rich experience in human resource development and industrial relations, the Board of Directors is of the opinion that the proposed remuneration is reasonable.

vii. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: NIL

III. Other information:

1. Reasons of loss or inadequate profits :

The external environment in the global economy as well as Indian economy continued to remain challenging. Slow growth in the economy, huge debt burden in earlier years along with working capital crunch continued to adversely impact the Company's performance.

2. Steps taken or proposed to be taken for improvement:

With an objective to deleverage the balance sheet of the Company, the Company had entered into a business transfer agreement with Tata Steel Long Products Limited (formerly Tata Sponge Iron Limited) for transfer of the Steel Business Undertaking (inter alia comprising of steel manufacturing facility, an operative iron ore mine, coal mine under development, captive power plants, plant and machinery of straight bar facility) of the Company by way of slump sale on going concern basis. A significant portion of debt has been repaid by the Company after receiving cash consideration from Tata Steel Long Products Limited towards sale of steel business undertaking. In the aftermath of sale of the steel business undertaking, the Company is steadily consolidating its raw material coverage position from various sources and no crisis is envisaged due to raw material shortage. Growth momentum in the domestic economy as well as global recovery are expected to help reinforce the Wire and Wire Rope business. The Company also continues to invest as part of its long term cost optimization plans in plant equipment, infrastructure facilities and strengthening teams & processes.

3. Expected increase in productivity and profits in measurable terms :

The above measures being undertaken are expected to yield positive results in the coming years. While it is difficult to give precise figures, the above initiatives are expected to improve the financial performance of the Company.

IV. Disclosures:

- a. The remuneration package of the managerial personnel is for the period of three years commencing from 6th June, 2020 till 5th June, 2023.
- b. The following information shall be disclosed in the Annual Report for the year ended 31st March, 2021.
 - i. All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc. of the directors.
 - ii. Details of the fixed components and performance linked incentive along with performance criteria.
 - iii. Service contracts, notice period, severance fees.
 - iv. Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.
- c. The Company has not made any default in payment of any debts or debentures or interest payable thereon for a continuous period of 30 days in the preceding financial year ended 31st March, 2020.

Item No. 5

The Board, on recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor, Messrs Guha, Ghosh, Kar & Associates, Cost Accountants at a remuneration of Rs.1,05,000/- p.a (plus service tax as applicable and reimbursement of actual out of pocket expenses) to conduct the audit of the cost accounting records of the Company in accordance with the provisions of the Act and Rules made thereunder for the Financial Year ending 31st March, 2021.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditors is required to be ratified by the shareholders of the Company.

Accordingly, consent of the Members is sought by passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratifying proposed remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2021.

The Board recommends the Ordinary Resolution as set out at Item No. 5 of this Notice for approval of members.

No Director or Key Managerial Personnel of the Company or their relatives have any concern or interest, financial or otherwise, in the Resolution set out at Item No. 5 of the Notice. As per Section 102(2) of the Act, it is clarified that the proposed Resolution does not relate to or affect any other Company.

By Order of the Board

Place : Kolkata
Date : 6th June, 2020

Shampa Ghosh Ray
Company Secretary
ACS 16737

Durgam Cheruvu -first cable stayed bridge in Hyderabad

Usha Martin Limited successfully executed internal prestressing of the concrete deck along with supply of LRPC strands for this recently constructed cable stayed extra-dozed bridge.



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