

EASTCOAST
STEEL LIMITED

37th Annual Report
2019-2020

Regd. Office : Cuddalore Road, Pillayarkuppam,
Bahoure Commune, Pondicherry – 607 403.

EASTCOAST STEEL LIMITED

Board of Directors	Shri Prithviraj S. Parikh	Chairman & Non-Executive Director
	Shri Anand Sethuprakasem*	Independent Director
	Shri Hitesh V. Raja	Independent Director
	Smt. Sharmila S. Chitale	Independent Director

*Resigned w.e.f. 27.02.2020

Company Secretary Shri P.K.R.K. Menon

Chief Executive Officer & Chief Financial Officer Shri Babush Narayan Kamath

Statutory Auditors M/s. Chaturvedi & Shah LLP
Chartered Accountants
Mumbai

Internal Auditors M/s. Krishnan & Giri
Chartered Accountants
Chennai

Secretarial Auditors P. S. Ramnath
Company Secretary
Mumbai

Bankers Central Bank of India
Dena Bank
HDFC Bank Limited
State Bank of India

Registered Office & Plant Cuddalore Road, Pillayarkuppam,
Bahoure Commune, Pondicherry - 607 403.
Website: www.eastcoaststeel.com
Tel: 022 - 40750100
Fax: 022 - 22044801
E-mail : esl@eastcoaststeel.com

CIN L27109PY1982PLC000199

Registrar & Share Transfer Agents Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400 083.
Tel: 022 - 49186000
Fax: 022 - 49186060
E-mail: mumbai@linkintime.co.in

ISIN (Demat) INE315F01013

NOTICE

Notice is hereby given that the **Thirty Seventh Annual General Meeting (“AGM”)** of the Members of **EASTCOAST STEEL LIMITED** will be held **on Wednesday, 30th September, 2020 at 12.00 noon (IST) through Video Conferencing/Other Audio Visual Means** to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the Financial Year ended on 31st March, 2020 and the report of the Board of Directors and Auditors thereon and in this regard to pass the following resolution as a **Ordinary Resolution**.

“**RESOLVED THAT** the audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the reports of the Auditors and Directors thereon be and are hereby received, considered, approved and adopted.”

2. To re-appoint a Director in place of Shri. Prithviraj S. Parikh (DIN:00106727) who retires by rotation and being eligible, offers himself for re-appointment and in this regard to pass the following resolution as a **Ordinary Resolution**:

“**RESOLVED THAT** Shri. Prithviraj S. Parikh (DIN:00106727) who retires by rotation in accordance with Section 152 of the Companies Act, 2013 be and is hereby re-appointed as a Director, liable to retire by rotation.”

3. To appoint statutory auditors of the company and to fix their remuneration, and if thought fit, to pass, with or without modification(s) the following resolution as a **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendations of the Audit Committee, M/s. Paresh Rakesh & Associates (Firm Reg. No. 119728W), Chartered Accountants, Mumbai, be and are hereby appointed as the Statutory Auditors of the Company in place of the retiring auditors M/s. Chaturvedi & Shah LLP (Firm Reg No. 101720W / W100355), Chartered Accountants, Mumbai. M/s. Paresh Rakesh & Associates, to hold office from the conclusion of 37th AGM till the conclusion of the 42nd AGM to be held in the year 2025 at such remuneration plus applicable taxes, out of pocket expenses, etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

4. **Re-appointment of Shri. Hitesh V. Raja (DIN:02681574) as an Independent Director of the Company:**

To consider, and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, along with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 17 and other applicable regulations

of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), as amended from time to time and Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Shri. Hitesh V. Raja (DIN:02681574) 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 Shri. Hitesh V. Raja candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company.

RESOLVED FURTHER THAT Shri. Hitesh V. Raja (DIN:02681574) who holds office of Independent Director upto 4th January 2020 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations be and is hereby re-appointed as an Independent Director not liable to retire by rotation, for a second term of five consecutive years commencing from 5th January 2020 to 4th January, 2025.”

5. **Re-appointment of Smt. Sharmila S. Chitale (DIN:07146530) as an Independent Director of the Company:**

To consider, and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, along with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 17 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), as amended from time to time and Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Smt. Sharmila S. Chitale (DIN:07146530) 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 Smt. Sharmila S. Chitale candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company.

RESOLVED FURTHER THAT Smt. Sharmila S. Chitale (DIN:07146530) who holds office of Independent Director upto 26th March 2020 and who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations be and is hereby re-appointed as an Independent Director not liable to retire by rotation, for a second term of five consecutive years commencing from 27th March 2020 to 26th March, 2025.

By order of the Board of Directors

Sd/-

Prithviraj S. Parikh
Director
DIN :00106727

Place: Mumbai
Date : 31st August, 2020

NOTES:

1. In view of the global outbreak of COVID-19, the Ministry of Corporate Affairs (“**MCA**”), has vide its General Circular No. 14/2020 dated 8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020, in relation to “Clarification on passing of ordinary and special resolutions by Companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19” and General Circular No. 20/2020 dated 5th May, 2020, in relation to “Clarification on holding of Annual General Meeting (“**AGM**”) through Video Conferencing (“**VC**”) or Other Audio Visual Means (“**OAVM**”) (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, in relation to “Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: COVID-19 pandemic” (“**SEBI Circular**”) have permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 (**the “Act”**) (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (**the “Rules”**), as amended from time to time, read with the MCA Circulars, SEBI Circular and pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), the AGM of the Company is scheduled to be held on **Wednesday, 30th September, 2020 at 12.00 noon (IST)** through VC/OAVM and the voting for items to be transacted in the Notice to this AGM only through electronic voting process (“**e-voting**”).
2. The deemed venue for 37th AGM shall be the Registered office of the Company at Cuddalore Road, Pillayarkuppam, Bahoure Commune, Pondicherry – 607403.
3. The relative Explanatory Statement pursuant to Section 102 of the Act and the relevant details of the Director seeking re-appointment as set out in Item No. 4 & 5 above as required under Regulation 36(3) of the SEBI Listing Regulations and under Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed hereto as **Annexure-A**.
4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars and the SEBI circular, the facility for appointment of proxies by the members will not be available for this AGM and hence, the proxy form, attendance slip and route map of AGM are not annexed to this notice.
5. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members intending to appoint their authorized representatives to attend the AGM through VC/OAVM and to vote thereat through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at csashishbhatt@gmail.com with a copy marked to evoting@nsdl.co.in and esl@eastcoaststeel.com
6. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

8. The Members can join the AGM through VC/OAVM mode 30 minutes before the scheduled time of the commencement of the AGM and the members can also join after the commencement of the AGM till the expiry of 15 minutes after such scheduled time by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on National Securities Depository Limited (“NSDL”) e-voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 Members on a first come first served basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnels, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
9. Further, due to non-availability of postal and courier services, on account of the threat posed by COVID-19 and in terms of the MCA Circulars and the SEBI Circular, the Company is sending this AGM Notice along with the Annual Report for the financial year 2019-20, in electronic form only to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the AGM and the Annual Report for the financial year 2019-20, has been uploaded on the website of the Company at www.eastcoaststeel.com and may also be accessed from the relevant section of the website of the Stock Exchange i.e. BSE Limited (“BSE”) at www.bseindia.com. The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com.
10. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed Companies can be transferred only in dematerialised form, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form.
11. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank Mandate details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form.
12. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long.
13. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their e-mail address with their respective depository participant, where shares are held in electronic form. In case of shares held in physical form, members are advised to register their e-mail address with RTA: Link Intime, by mailing on rnt.helpdesk@linkintime.co.in.
14. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members, who have not yet registered their nomination, are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form.

15. Members holding shares in physical form, in identical order of names, in more than one folio, are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
16. Members desiring inspection of statutory registers and other relevant documents of the Company during the AGM may send their request in writing to the Company at esl@eastcoaststeel.com upto the date of the AGM.
17. This AGM Notice is being sent by e-mail only to those eligible Members who have already registered their e-mail address with the Depositories/the DP/the Company's RTA/the Company before 2nd September, 2020.
18. For registration of e-mail address, Members are requested to register their e-mail address, in respect of electronic holdings, with their concerned DP and in respect of physical holdings, with the RTA.
19. Process and manner for Members opting for e-voting is, as under:
 - I. In compliance with the provisions of Sections 108 and other applicable provisions of the Act, read with Rule 20 of the Rules and Regulation 44 of the SEBI Listing Regulations, the Company is offering only e-voting facility to all the Members of the Company and the businesses will be transacted only through the electronic voting system. The Company has engaged the services of NSDL for facilitating e-voting to enable the Members to cast their votes electronically as well as for e-voting during the AGM. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if it/ they have been passed at the AGM.
 - II. Members are provided with the facility for voting through voting system during the VC/OAVM proceedings at the AGM and Members participating at the AGM, who have not cast their vote by remote e-voting, are eligible to exercise their right to vote at the AGM.
 - III. Members who have already cast their vote by remote e-voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the Member has already cast the vote through remote e-voting.
 - IV. Members of the Company holding shares either in physical form or electronic form as on the cut-off date of 23rd September, 2020, may cast their vote by remote e-voting. The remote e-voting period commences on Sunday, 27th September, 2020 at 9:00 a.m. (IST) and ends on Tuesday, 29th September, 2020 at 5:00 p.m. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
 - V. The instructions for Members attending the AGM through VC/OAVM are as under:
 - A. The Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system and they may access the same at www.evoting.nsdl.com under the Shareholders/Members login by using the remote e-voting credentials, where the EVEN of the Company will be displayed. On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM through a live webcast of the meeting and submit votes on announcement by the Chairman. 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 may also use the OTP based login for logging into the e-voting system of NSDL.

- B. Members may join the AGM through laptops, smartphones, tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
 - C. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's e-mail address at esl@eastcoaststeel.com on or before 23rd September, 2020.
 - D. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in or call on toll free no.:1800-222-990 or contact Mr. Amit Vishal, Senior Manager - NSDL at amitv@nsdl.co.in or call on +91 22 24994360.
- VI. The instructions for Members for e-voting are as under: The way to vote electronically on NSDL e-voting system consists of 'Two Steps' which are mentioned below: Step 1: Log-in to NSDL e-voting system at www.evoting.nsdl.com.

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

- A. Visit the e-voting website of NSDL. Open web browser by typing the following: www.evoting.nsdl.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. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- D. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
i) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****

ii) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
iii) For Members holding shares in Physical Form.	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 compel you to change your password.
- iii) How to retrieve your 'initial password'? If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail 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'.

F. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:

- i) Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- ii) Physical User Reset Password?' (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- iii) 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.

G. After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.

H. Now, you will have to click on 'Login' button.

I. After you click on the 'Login' button, Home page of e-voting will open.

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

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

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

General Guidelines for Members

- i) Institutional Members (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 authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to csashishbhatt@gmail.com with a copy marked to evoting@nsdl.co.in.
- ii) 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.
- iii) 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.
- iv) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

- VIII. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 23rd September, 2020.
- IX. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. 23rd September, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.
- X. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the meeting.
- XI. The Board of Directors has appointed CS Ashish C. Bhatt, Company Secretary in Whole-time practice (Membership No. 4650 / CP No. 2956), as Scrutinizer to scrutinize the voting at the AGM and remote e-voting process, in a fair and transparent manner.
- XII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the e-voting facility. The e-voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
- XIII. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast during the AGM and, thereafter, unblock the votes cast through remote e-voting and shall make, not later than 48 hours from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XIV. The Results declared, alongwith the Scrutinizer's Report, shall be placed on the Company's website www.eastcoaststeel.com and on the website of NSDL www.evoting.nsdl.com, immediately after the declaration of the result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchange where the Company's Equity Shares are listed viz. BSE and be made available on their website viz. www.bseindia.com.

Process for those shareholders whose email ids are not registered with the depositories for procuring User ID and Password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. 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), AADHAAR (self attested scanned copy of Aadhaar Card) by email to esl@eastcoaststeel.com

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), name, client master or copy of consolidated account statement, PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) to esl@eastcoaststeel.com

2. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned in Point (1) or (2) as the case may be.

Annexure-A**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT****ITEM NO. 4 & 5**

Shri. Hitesh V. Raja (DIN:02681574) was appointed as an Independent Director of the Company pursuant to Section 149, 152 read with Schedule IV and all other applicable provisions of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI Listing Regulations, by the Shareholders at the 32nd AGM of the Company held on 26th September, 2015 to hold office from 5th January, 2015 upto 4th January, 2020 ("first term" as per the explanation to Section 149(10) and 149(11) of the Act).

Smt. Sharmila S. Chitale (DIN:07146530) was appointed as an Independent Director of the Company pursuant to Section 149, 152 read with Schedule IV and all other applicable provisions of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI Listing Regulations, by the Shareholders at the 32nd AGM of the Company held on 26th September, 2015 to hold office from 27th March, 2015 upto 26th March, 2020 ("first term" as per the explanation to Section 149(10) and 149(11) of the Act).

The Nomination & Remuneration Committee at its Meeting held on 14th November, 2019 after taking into account the performance evaluation of Shri. Hitesh V. Raja and Smt. Sharmila S. Chitale and considering the knowledge, acumen, expertise and experience in their respective fields and the substantial contribution made by them during their tenure as Independent Directors since their appointment, had recommended to the Board that continued association of Shri. Hitesh V. Raja and Smt. Sharmila S. Chitale as Independent Directors would be in the interest of the Company.

Further, pursuant to the recommendation made by the Nomination and Remuneration Committee, it was proposed to re-appoint Shri. Hitesh V. Raja as an Independent Director on the Board of the Company for a second term of five consecutive years commencing from 5th January, 2020 to 4th January, 2025 and Smt. Sharmila S. Chitale as an Independent Director on the Board of the Company for a second term of five consecutive years commencing from 27th March 2020 to 26th March 2025, not liable to retire by rotation.

The Company has received declarations from Shri. Hitesh V. Raja and Smt. Sharmila S. Chitale to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act read with the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, Shri. Hitesh V. Raja and Smt. Sharmila S. Chitale fulfill the conditions specified in the Act, Rules and SEBI Listing Regulations for re-appointment as Independent Directors and are independent of the management of the Company and possesses appropriate skills, experience and knowledge.

The terms and conditions of appointment of Shri. Hitesh V. Raja and Smt. Sharmila S. Chitale as an Independent Director of the Company is available on the Company's website.

A brief profile of Shri. Hitesh V. Raja and Smt. Sharmila S. Chitale is appended below:

SHRI. HITESH V. RAJA

Chartered Accountant by profession, practicing in the areas of Audit and Taxation as Proprietor of H. V. Raja & Co, Chartered Accountants.

Successfully Handled Financial Reporting & Accounting compliances for clients engaged in various industries viz. Retail, Construction, Manufacturing, Information Technology, Exports and Foreign Trade, General Merchandise etc. Worked with "Ratan Mama - PKF" CAs at Oman – Muscat and assisted in handling Audit of clients. Handed International Taxation Matters relating to NRI's, applicability of DTAAs and MLI's to Non-resident Corporate as well as non-corporate entities.

SMT. SHARMILA S. CHITALE

Professional having done graduation in Arts and Law from Pune University, B.A. and LL.B.

Employed and experienced in the functional areas of administration and management. Handled Corporate and legal matters. Rendered advisory services in corporate management affairs and related matters, for over fifteen years.

Further details and current directorships of the above Directors are provided in **Annexure B** of this Notice. In compliance with the provisions of Section 149, read with Schedule IV of the Act and Regulation 17 of SEBI Listing Regulations, Board recommends re-appointment of Shri. Hitesh V. Raja and Smt. Sharmila S. Chitale as an Independent Directors to the Members for their approval.

The required disclosures as per Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards (**SS-2**) along with details and current directorships in respect of Directors proposed to be re-appointed at this AGM is provided as **Annexure B** of this Notice.

Except Shri. Hitesh V. Raja and Smt. Sharmila S. Chitale and his relatives to the extent of their shareholding interest, if any, none of the Promoters, Directors, Key Managerial Personnels of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 4 & 5 of the Notice.

ANNEXURE-B**Information pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings (SS-2) of The Institute of Company Secretaries of India (“ICSI”) in respect of individuals proposed to be appointed/re-appointed as Director:**

Name of the Director	Shri. Prithviraj S. Parikh	Shri. Hitesh V. Raja	Smt. Sharmila S. Chitale
DIN	00106727	02681574	07146530
Date of Birth	19 th February, 1946	2 nd June, 1976	27 th December, 1966
Age	74 years	44 years	53 years
Date of Appointment: First appointment on the Board	08 th January, 1987	05 th January, 2015	27 th March, 2015
Qualification	MS., M.E. from N.Y.U./ C.C.N.Y.	<ul style="list-style-type: none"> • Bachelor of Commerce • F.C.A. 	<ul style="list-style-type: none"> • B.A. • LL.B
Expertise in Specific Functional area	Has completed his Masters in Engineering in U.S. On Returning to India he joined family owned business of manufacturing steel. He has over four decades of experience in management of Steel Plants & allied activities, international trade, etc.	Practicing Chartered Accountant for last 18 years in the area of Taxation and Audit.	Legal & Professional Matter.

Name of the Director	Shri. Prithviraj S. Parikh	Shri. Hitesh V. Raja	Smt. Sharmila S. Chitale
Directorship in other Companies (Excludes Directorship in Eastcoast Steel Limited, Foreign and Section 8 Companies) as on 31st March, 2020	<ul style="list-style-type: none"> • Western Ministil Limited • WRM Private Limited • Satori Realty Private Limited • Wist Overseas Private Limited • Aspher Foods Private Limited • Gunjar Finance And Investment Privatelimited • Anagha Enterprises Private Limited • R and A Foods Private Limited 	<ul style="list-style-type: none"> • Western Ministil Limited 	<ul style="list-style-type: none"> • Western Ministil Limited • Savant Infocomm Limited
Chairmanship/Membership of the Committee as on 31st March, 2020 (Includes only Audit and Stakeholders' Relationship Committee)	<p>Audit Committee</p> <p>Eastcoast Steel Limited : Member</p> <p>Stakeholders' Relationship Committee</p> <p>Eastcoast Steel Limited : Member</p>	<p>Audit Committee</p> <p>Eastcoast Steel Limited: Chairman</p> <p>Stakeholders' Relationship Committee</p> <p>Eastcoast Steel Limited : Member</p>	<p>Audit Committee</p> <p>Eastcoast Steel Limited : Member</p> <p>Stakeholders' Relationship Committee</p> <p>Eastcoast Steel Limited : Chairman</p>
Number of Shares held as on 31st March, 2020	8,600	200	100
Number of Board Meeting attended (During the F.Y. 2019-20)	5	5	5
Relationship with other Directors/Key Managerial Personnel's	Not related to any Director / Key Managerial Personnel	Not related to any Director/ Key Managerial Personnel	Not related to any Director /Key Managerial Personnel
Terms and conditions of appointment or re-appointment	Non-Executive Director liable to retire by rotation.	In terms of Section 149 of the Companies Act, 2013, Shri. Hitesh V. Raja is not liable to retire by rotation.	In terms of Section 149 of the Companies Act, 2013, Smt. Sharmila S. Chitale is not liable to retire by rotation.
Remuneration last drawn (including sitting fees, if any) for financial year 2019-20	Nil	Nil	Nil
Remuneration proposed to be paid	Nil	Nil	Nil

By order of the Board of Directors

Sd/-
Prithviraj S. Parikh
 Director
 DIN : 00106727

Place : Mumbai
Date : 31st August, 2020

BOARD'S REPORT

Dear Shareholders,

The Directors of your Company are pleased to present the Thirty Seventh Annual Report together with the Audited Financial Statements of the Company for the financial year ended 31st March 2020.

1. FINANCIAL PERFORMANCE

The financial performance of the Company for the year ended 31st March 2020 is summarised below:

(₹ In Lacs)

Sr. No.	Particulars	2019-20	2018-19
1	Revenue from operations	-	-
2	Other Income	2.04	3.43
3	Total	2.04	3.43
4	(Loss) Before Exceptional items, Depreciation & Tax (PBDT)	(200.56)	(207.84)
5	Less: Depreciation	(3.15)	(3.12)
	Less: Exceptional items	-	(87.40)
6	(Loss) for the year before taxation	(203.71)	(298.36)
7	Less: Provision for tax	-	-
	Income tax pertaining to earlier years	-	-
8	Loss for the year after tax	(203.71)	(298.36)
9	Other Comprehensive Income	2.21	1.27
10	Total Comprehensive Income for the year	(201.50)	(297.09)

2. REVIEW OF OPERATIONS:

During the year under review, the Company has not undertaken any activity /operation and remains to be at a standstill since 1995. The Company is poised for restructuring its operation into some other diversified activities which are still under consideration of the board

3. DIVIDEND AND RESERVES

Considering the financial performance during the year and carried forward losses of previous years, the Board has decided not to recommend any dividend for this year.

Further, your Directors do not propose to transfer any amount to the reserves.

4. CHANGE IN NATURE OF BUSINESS, IF ANY

Your Company has not deviated its line of business activity nor has expanded the area of activities; therefore, there is no change in the nature of business for the year under review.

5. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the financial year under review, the Company did not have any subsidiary, joint venture or associate company.

6. MATERIAL CHANGES AND COMMITMENTS IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:-

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements pertain and the date of the report.

7. SHARE CAPITAL

The paid up Equity Share Capital of the Company was ₹ 5,39,64,680/- as on 31st March, 2020:

- **Buy Back of Securities**

The Company has not bought back any of its securities during the year under review.

- **Sweat Equity**

The Company has not issued any Sweat Equity Shares during the year under review.

- **Bonus Shares**

The Company has not issued any bonus shares during the year under review.

- **Employees Stock Option**

The Company has not provided any Stock Option Scheme to the employees.

- **Rights Issue of equity shares**

The Company has not issued any shares on right basis during the financial year under review.

- **Equity Shares with differential rights**

The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.

8. DEPOSITS

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013.

9. INFORMATION ON THE STATE OF AFFAIRS OF THE COMPANY

Information on the operational and financial performance, among others, are given in the Management Discussion and Analysis which forms part of the Directors' Report.

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

(A) Conservation of Energy

- (i) **The steps taken or impact on conservation of energy:** The Company makes conscious efforts to reduce its energy consumption. Some of the measures undertaken by the Company during the year, are use of LED Lights at office premises instead of conventional lighting, usage of energy efficient air-conditioning and energy efficient office equipments such as printer, scanner and photocopy machines

- (ii) **Steps taken by the Company for utilizing alternate source of energy:** Apart from steps mentioned above to conserve energy, the management is continuously exploring feasible alternate sources of energy.
- (iii) **The capital investment on energy conservation equipment:** There is no capital investment on energy conservation equipment during the year under review.

(B) Technology Absorption

- (i) **The efforts made towards technology absorption:** The Company evaluates technology developments on a continuous basis and keeps the organisation updated.
- (ii) **The benefits derived:** The Company has benefited from technology development. It has helped to understand in better way the requirement for the business.
- (iii) **The Company has not imported any technology from the beginning of the financial year.**
- (iv) **The Company has not incurred any expenditure on Research and Development during the year under review.**

(C) Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and outgo during the financial year under review.

11. ENVIRONMENT AND SAFETY

Since the Company has not been engaged in any activity after the closure of the plant in 1995, environment and safety measures are not required to be followed for the time being

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

a) Independent Directors:

The Company has received declaration from all the Independent Directors confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

During the year under review, the independent directors met on 07th February, 2020 in order to evaluate the:-

- The performance of Non-Independent Directors and Board of Directors, as a whole
- The performance of Chairman of the Company taking into account the views of all the Directors on Board.
- The quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors attended the meeting.

b) Resignation of Director:

The Company appreciates and places on record the excellent services rendered and guidance provided by Shri. Anand Sethuprakasem (DIN:00582677) resigned w.e.f. 27th February, 2020 and the board has accepted his resignation in deference to his wishes.

c) Retirement by rotation:

In terms of the provisions of Section 152(6) of the Companies Act, 2013, Shri. Prithviraj S. Parikh, Director (DIN: 00106727), retires by rotation at the forthcoming Annual General Meeting, and being eligible offers himself for re-appointment. In accordance with Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations') and Secretarial Standard – 2 on General Meetings, brief profile of the Director to be re-appointed is included in the Notice which forms part of the Annual Report.

d) Key Managerial Personnel:

Pursuant to the provisions of Section 203 of the Companies Act, 2013 read with the rules made there under, the following employees are the whole time key managerial personnel of the Company:

1. Shri. Babush Kamath – Chief Executive Officer
2. Shri. Babush Kamath – Chief Financial Officer;
3. Shri. P K R K Menon – Company Secretary and Compliance Officer.

13. BOARD MEETINGS

The Board meets at regular intervals as and when required to discuss the business polices and strategies apart from other routine business.

During the financial year 2019-20, the Board met 5 (Five) times i.e. on 23rd April, 2019, 30th May, 2019, 13th August, 2019, 14th November, 2019, 7th February, 2020.

The gap between two meetings did not exceed one hundred and twenty days and the necessary quorum was present for all the meetings held during the year.

The attendance of the Directors at the Board Meetings and the Annual General Meeting held during the financial year 2019-20 is as under:

Name of the Director	Category	Number of Meetings		Last Annual General Meeting attended
		Held	Attended	
Shri Prithviraj S. Parikh	Chairman & Non-Executive Director	5	5	Yes
Shri Anand Sethuprakasem *	Independent & Non-Executive Director	5	3	No
Shri Hitesh V. Raja	Independent & Non-Executive Director	5	5	Yes
Smt Sharmila S. Chitale	Independent & Non-Executive Director	5	5	No

* Resigned w.e.f 27th February, 2020.

14. COMMITTEES OF THE BOARD:**a) AUDIT COMMITTEE:****Constitution of the Audit Committee:**

A qualified and independent Audit Committee has been set up by the Board in compliance with the requirements of Section 177 of the Companies Act, 2013 read with rules framed thereunder.

The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013. All the members of the Audit Committee are financially literate and have experience in financial management.

The Board has accepted all the recommendations of the Audit Committee during the year 2019-20.

Meeting and Attendance:

The Committee met 4 (Four) times during the financial year 2019-20 i.e. on 30th May, 2019, 13th August, 2019, 14th November, 2019, 7th February, 2020.

The gap between two meetings did not exceed one hundred and twenty days and the necessary quorum was present for all the meetings held during the year.

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

Name of the Director	Category	Number of committee meetings	
		Held	Attended
Shri Hitesh V. Raja - Chairman	Independent & Non-Executive Director	4	4
Shri Prithviraj S. Parikh - Member	Non-Executive Director	4	3
Shri Anand Sethuprakasem-Member *	Independent & Non-Executive Director	4	2
Smt Sharmila S. Chitale**	Independent & Non-Executive Director	0	0

*Resigned w.e.f 27th February, 2020

** Appointed as a Member w.e.f 7th February, 2020

The previous Annual General Meeting of the Company was held on 21st September, 2019 and was attended by Shri Hitesh V. Raja, Chairman of the Audit Committee to answer shareholders queries.

b) NOMINATION AND REMUNERATION COMMITTEE:

Constitution of the Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company is constituted in compliance with Section 178 of the Companies Act, 2013 read with rules framed thereunder.

The Committee comprises of three Non-Executive Directors out of which two are Independent Directors as on 31st March, 2020 and the Chairman of the Committee is an Independent Director.

The Committee met 2 (Two) time during the financial year 2019-20. i.e on 23rd April, 2019 and 14th November, 2019 The necessary quorum was present for the meeting held during the year.

The composition of the Nomination and Remuneration Committee and the details of meetings attended by members of the committee are given below:

Name of the Director	Category	Number of committee meetings	
		Held	Attended
Shri Anand Sethuprakasem - Chairman *	Independent & Non-Executive Director	2	0
Shri Prithviraj S. Parikh - Member	Non-Executive Director	2	2
Shri Hitesh V. Raja - Member	Independent & Non-Executive Director	2	2
Smt Sharmila S. Chitale**	Independent & Non-Executive Director	0	0

*Resigned w.e.f 27th February, 2020

** Appointed as a Member w.e.f 7th February, 2020

The previous Annual General Meeting of the Company was held on 21st September, 2019 and Shri Hitesh V. Raja, member, duly authorized by the Chairman of the Committee was present at the last Annual General Meeting to answer the queries

c) **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

Constitution of the Stakeholders Relationship Committee:

The Board has constituted the Stakeholders Relationship Committee comprising of three members vis; Shri Prithviraj S. Parikh, Non-Executive Director ,Shri Hitesh V. Raja, Independent & Non-Executive Director and Smt. Sharmila S. Chitale, Independent & Non-Executive Director. Smt. Sharmila S. Chitale is the Chairperson of the Committee. The composition of the Stakeholder Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 read with rules framed thereunder.

The Committee met 4 (Four) times during the financial year 2019-20 on 30th May, 2019, 13th August, 2019, 14th November, 2019, 07th February, 2020.

The composition of the Committee and the attendance of the members of the Stakeholders Relationship Committee during the financial year 2019-20 are as given below:

Name of the Director	Category	Number of committee meetings	
		Held	Attended
Smt. Sharmila S. Chitale-Chairperson	Independent & Non-Executive Director	4	4
Shri Prithviraj S. Parikh - Member	Non-Executive Director	4	4
Shri Hitesh V. Raja - Member	Independent & Non-Executive Director	4	4

The Company obtains half-yearly certificate from a Company Secretary in Practice confirming the issue of certificates for transfer, sub-division, consolidation etc. and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(9) of the SEBI Listing Regulations. Further, the Compliance Certificate under Regulation 7(3) of the SEBI Listing Regulations, confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share

Transfer Agent is also submitted to the Stock Exchanges on a half yearly basis. Shri Hitesh V. Raja, member, duly authorized by the Chairperson of the Committee was present at the last Annual General Meeting to answer the queries of the Shareholders.

15. CORPORATE GOVERNANCE

Pursuant to Chapter IV of the SEBI Listing Regulations, the provision with regard to Corporate Governance is not applicable to the company as the paid up equity capital does not exceed ₹10 crores and net worth does not exceed ₹ 25 crores as on the last day of the previous financial year.

16. EVALUATION OF BOARD AND DIRECTORS:

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance and that of the Directors individually. The performance of the Board was evaluated after seeking input from all Directors on the basis of the criteria such as the effectiveness of Board process quality of discussion, contribution at the meetings, business acumen, strategic thinking, corporate governance practices, contribution of the Committees to the Board in discharging its functions, etc.

In a separate meeting of independent directors, performance of non-independent directors and the board as a whole was evaluated. The Independent Directors in the said meeting also evaluated the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. Additionally, the Chairman of the Board was also evaluated on key aspects of his role, taking into account the views of executive directors and non-executive directors in the aforesaid meeting.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated

17. TRAINING IMPARTED TO THE INDEPENDENT DIRECTORS :

Every Independent Director of the Board, Executive Directors / Senior Managerial Personnel is familiarized about the Company's strategy, operations, organisation structure, human resources, quality, finance and risk management.

Further, at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, functions, duties and responsibilities as a Director. The terms and conditions of letter of appointment is available on the Company's website at www.eastcoaststeel.com

18. CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR:

The company has adopted a policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director, and also remuneration for key managerial personnel and other employees. The policy is available on the website of the Company at www.eastcoaststeel.com

19. DETAILS OF LOANS AVAILED FROM DIRECTORS OR THEIR RELATIVES

The Company has availed Loan from Shri Prithviraj S. Parikh, Director of the Company, during the year under review.

(Amount in ₹)

Sr. No.	Name	Opening Balance beginning of the year	Amount Borrowed	Amount Repaid	Closing Balance at the end of the year
1.	Shri Prithviraj. S. Parikh	18,540,000	1,485,000	16,200,000	3,825,000

The Company has received the declaration from the Director as required under rule 2 (viii) of the Companies (Acceptance of Deposits) Rules, 2014.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There was no loan or guarantee given or investment made or security provided pursuant to Section 186 of the Companies Act, 2013 during the financial year under review.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENT MADE WITH RELATED PARTIES

All related party transactions entered by the Company during the financial year were on an arm's length basis and were carried out in the ordinary course of business. There are no materially significant related party transactions made by the Company during the year under consideration with the Promoters, Directors or Key Managerial Personnel which may have a potential conflict with the interest of the Company at large. All the related party transactions as required under Ind-AS 24 'Related Party Disclosures' are reported in the other explanatory information, forming part of the financial statements.

Details of related party transactions are regularly placed before the Audit Committee and also before the Board for its approval. Wherever required prior approval of the Audit Committee is obtained.

The particulars as required under the Companies Act, 2013 are furnished in Form AOC – 2 which is annexed as “**Annexure A**” to this report.

22. PARTICULARS OF EMPLOYEES

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a) The Board affirms that the remuneration paid is as per the Remuneration Policy of the Company.
- b) The percentage increase in the median remuneration of employees in the financial year is - Nil.
- c) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration: Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year (2019-

20) is Nil and the percentile increase in the managerial remuneration is Nil.

- d) Number of permanent employees on the rolls of the Company as on 31st March, 2020 is 10
- e) The ratio of the remuneration paid to each Director to the median remuneration of the employees of the Company during the financial year 2019-20:

Name of Director	Remuneration	Median Remuneration of the employees	Ratio
Shri Prithviraj S. Parikh	-	-	-
Shri Anand Sethuprakasem	-	-	-
Shri Hitesh V. Raja	-	-	-
Smt Sharmila S. Chitale	-	-	-

- f) The percentage increase in remuneration of Director: Nil
- g) The percentage increase in remuneration of Chief Financial Officer: Nil
- h) The percentage increase in remuneration of Company Secretary: Nil
- i) There has been no remuneration or sitting fees paid to the Directors during the year under review.

The Company does not have any employee who is drawing a remuneration of ₹ 10,200,000/- per annum or ₹ 850,000/- per month as stipulated in the Act and the rules made thereunder. Hence, disclosures required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have not been provided, during the year under review.

The Company does not have any scheme or provision of money for the purchase of or subscription to its own shares by the employees/ Directors or by trustees for the benefit of the employees/ Directors.

23. CODE OF CONDUCT

The Board has prescribed Code of Conduct ("Code") for all Board Members and Senior Management of the Company. All Board Members and Senior Management personnel have confirmed compliance with the Code for the year 2019-20. A declaration to this effect as required under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report for the financial year 2019-20.

24. VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 read with the rules framed thereunder, the Company has formulated a Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimisation of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee and no personnel of the Company have been denied access to the Audit Committee. The policy is available on the website of the Company at www.eastcoaststeel.com.

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

The Company is committed to provide an environment, which is free of discrimination, intimidation and abuse. Pursuant to Sexual Harassment of Women at the Workplace

(Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder, the Company has a Policy for prevention of Sexual Harassment in the Company. All employees (permanent, contractual, temporary and trainees) are covered under this policy. Internal Complaints Committee has also been set up to redress the complaints received regarding sexual harassment. There were no cases reported during the financial year 2019-20.

26. OTHER MATERIAL ORDERS

The High Court of Judicature at Madras has passed an order dtd. 26-08-2019 dismissing the Company Appeal No: 20 of 2015 and C.M.P. Nos: 15207 of 2017 & 13385 of 2019, filed by M/s Suresh Kumar Jalan & others, aggrieved by the order dtd. 11-05-2015 passed in C. P. No. 56 of 2013 by The Company Law Board, Chennai Bench, which authority had dismissed the petition & rejected allegations of oppression & mismanagement.

27. REVIEW OF RISK MANAGEMENT POLICY ADOPTED BY THE COMPANY

The Company in order to comply with the provisions of the Companies Act, 2013 and to provide an effective mechanism for implementing risk management system had adopted the policy on risk management for evaluating and monitoring various risks that could threaten the existence of the Company. The Company had not faced any major risks and no major deviations from the actuals as attained by the Company. The Audit committee has reviewed the policy periodically. The Board takes overall responsibility for the overall process of risk management in the organisation.

The Board shall take note of any future threats and shall report to the Company for formulating an effective mechanism and strategy. The risk management policy is available on the website of the Company at www.eastcoaststeel.com

28. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92 (3) of the Companies Act, 2013, an extract of annual return is annexed hereto as “**Annexure- B**” and forms part of this report.

Pursuant to the provisions of Section 134(3)(a) of the Act, Cpmpany 2013, From MGT 9 is uploaded on Company's website and can be accessed at www.eastcoaststeel.com

29. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Shri P. S. Ramnath, Practising Company Secretaries, (CP: 4159 ; F.C.S. 819), have been appointed as the Secretarial Auditors to conduct the Secretarial Audit of the Company for the financial year 2019-20, the Secretarial Audit Report is annexed herewith as “**Annexure- C**” and forms part of this report.

The Secretarial Audit Report does not contain any adverse remarks, qualifications or observations, except with regard to provision of Section 203 of the act, which has since been complied with.

30. STATUTORY AUDITORS

M/s. Chaturvedi & Shah LLP (Firm Reg No. 101720W / W100355) were appointed as Auditors of the Company, for a second term of 1 (One) year at the Annual General Meeting (AGM) held on 21st September, 2019, to hold office until the conclusion of the 37th (Thirty Seventh) AGM.

Further, based on the recommendation of Audit Committee, the Board has proposed to the Shareholders for the appointment of M/s. Paresh Rakesh & Associates, Chartered Accountants (ICAI Firm Registration No.119728W) as the Statutory Auditors of the Company

for a period of five consecutive years, from the conclusion of the 37th AGM until the conclusion of the 42nd AGM to be held in the year 2025 in place of retiring auditors M/s. Chaturvedi & Shah LLP, Chartered Accountants (ICAI Firm Registration No.101720W)

They have confirmed that they are not disqualified from being appointment as the Statutory Auditors of the Company.

Disclosure under Section 143(12) of Companies Act, 2013:-

The Statutory Auditors of the Company have not reported any fraud or irregularities, as specified under the Second provision of Section 143(12) of the Act (including any Statutory modification(s) or re-enactment(s) for the time being in force), read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014, during financial year under review.

Statutory Auditor's Report:-

There are no adverse remarks, observations or disclaimer remarks by the Statutory Auditors in their report for the financial year ended 31st March, 2020

31. COMPLIANCE OF SECRETARIAL STANDARDS

The Board of Directors hereby confirms that all the applicable Secretarial Standards have been complied with during the year under review.

32. COST AUDIT

The Company is not required to maintain cost record as prescribed by the Central Government under the provisions of Section 148 of the Companies Act, 2013 in view of the closure of the plant in 1995 and cessation of manufacturing activities. No activities or services have been undertaken by the Company since then.

33. INTERNAL AUDITOR

The Board of Directors has appointed M/s. Krishnan & Giri, (Chartered Accountants), (FRN No. 1512S) as Internal Auditor of the Company for the financial year 2019-20.

34. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place a robust internal financial control system, commensurate with the size of its operations and nature of its business activities. The Company has a standard operating procedure for various activities and operations and follows this standard operating procedure for its internal control procedures. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal financial control system in the Company, its compliance with operating systems, accounting procedures, application of the instructions and policies fixed by the senior management at all locations of the Company. The Audit Committee reviews the report on Internal Control submitted by the Internal Auditors on a quarterly basis.

Based on the assessment carried out by the Audit Committee, the internal financial controls were adequate and effective and no material weakness or significant deficiencies in the design or operation of internal financial controls were observed during the financial year ended 31st March 2020.

35. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors, based on the representations received from the Operating Management and after due enquiry, hereby confirm that:

- I. In the preparation of annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- II. They had in consultation with Statutory Auditors, selected accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and loss of the Company for the year ended on that date;
- III. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. They have prepared the annual accounts on a “going concern” basis;
- V. They have laid down internal financial controls, which are adequate and operating effectively;
- VI. They have devised proper system to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

36. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

Provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, are not applicable to your Company as the Company does not fall under any of the criteria specified therein

37. LISTING

The shares of the Company are listed at the BSE Limited. The annual listing fee has been paid to the stock exchange before the due date.

38. CAUTIONARY STATEMENT

Statements in these reports describing company's projections statements, expectations and hopes are forward looking. Though, these expectations etc, are based on reasonable assumption, the actual results might differ.

39. ACKNOWLEDGEMENT

Your Directors acknowledge with thanks the co-operation and understanding displayed by the shareholders & others and continues to look forward to the same.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 16th July, 2020

Sd/-
Prithviraj S. Parikh
Director
DIN : 00106727

Sd/-
Hitesh V. Raja
Director
DIN : 02681574

ANNEXURE – A
FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis: The Company has not entered into any transaction with related parties which were not on an arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis: The Company has not entered into any material contracts or transactions during the financial year 2019-20.

For and on behalf of the Board of Directors

Place: Mumbai
Date : 16th July, 2020

Sd/-
Prithviraj S. Parikh
Director
DIN : 00106727

Sd/-
Hitesh V. Raja
Director
DIN :02681574

ANNEXURE – B
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March, 2020

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	L27109PY1982PLC000199
2	Registration Date	20 th August, 1982
3	Name of the Company	EASTCOAST STEEL LIMITED
4	Category/Sub-category of the Company	Public Company
5	Address of the Registered office & contact details	Cuddalore Road, Pillayarkuppam, Bahoure Commune, Pondicherry – 607 403. Ph. No. : 0413-2611117 Fax No. : 0413-2611423 E-mail : esl@eastcoaststeel.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083. Ph. No. : 022-49186000 Fax. No. : 022-49186060 E-Mail : mumbai@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of steel in ingots or other primary forms, and other semi-finished products of steel.	24103	Nil

III. PRINCIPAL OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

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

S. No.	Name and Address of the company	CIN/ GLN	Holding, Subsidiary and Associates	% of share held	Applicable Section
1.	NA	NA	NA	NA	NA

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

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	De-mat	Physical	Total	% of Total Shares	De-mat	Physical	Total	% of Total Shares	

A. Shareholding of Promoter and Promoter Group

(1) Indian

a) Individual/ HUF	42791	Nil	42791	0.79	42791	Nil	42791	0.79	Nil
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	977835	Nil	977835	18.12	977835	Nil	977835	18.12	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total (A) (1)	1020626	Nil	1020626	18.91	1020626	Nil	1020626	18.91	Nil

(2) Foreign

a) Individuals (Non-Resident Individuals / Foreign Individuals)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Government	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Foreign Portfolio Investor	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other (Specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total (A) (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Total Shareholding of Promoter and Promoter Group (A) = (A) (1) + (A) (2)

B. Public Shareholding

1. Institutions

a) Mutual Funds /UTI	Nil	16900	16900	0.31	Nil	16900	16900	0.31	Nil
b) Venture Capital Fund	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Alternate Investment Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Foreign Venture Capital Investors	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Foreign Portfolio Investor	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Financial Institutions / Bank	150	2750	2900	0.05	150	2750	2900	0.05	Nil
g) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	De-mat	Physical	Total	% of Total Shares	De-mat	Physical	Total	% of Total Shares	
h) Provident Funds/ Pension Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Any Others (specify)	Nil	5400	5400	0.10	Nil	5400	5400	0.10	Nil
Sub-total (B)(1)	150	25050	25200	0.47	150	25050	25200	0.47	Nil
2. Central Government / State Government(s) / President of India									
Sub-total (B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3. Non-Institutions									
a) Bodies Corp.	1865598	33400	1898998	35.19	1859898	33200	1893098	35.08	-0.11
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	453331	954750	1408081	26.09	498984	914275	1413256	26.19	0.10
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	742520	0	742520	13.76	7416200	0	741620	13.74	-0.02
c) NBFCs registered with RBI									
Trust Employee	0	0	0	0	200	0	200	0.00	0.00
d) Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0
e) Others (specify)									
Non Resident Indians (Non Repat)	4544	9	4553	0.08	5844	9	5853	0.11	0.03
Non Resident Indians (Repat)	10240	62200	72440	1.34	11040	61380	72420	1.34	0.00
Partnership Firm	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
HUF	213550	500	214050	3.97	213795	500	214295	3.97	0.00
Clearing Members	1500	Nil	1500	0.03	1400	Nil	1400	0.03	0.00
Trusts	450	8050	8500	0.16	450	8050	8500	0.16	0.00
Foreign Bodies - D	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(3):-	3291733	1058909	4350642	80.62	3333228	1017414	4350642	80.62	0.00
Total Public Shareholding (B)=(B)(1)+B(2)+B(3)	3291883	1083959	4375842	81.09	3333378	1042464	4375842	81.09	0.00
C. Non Promoter – Non Public									
i) Custodian/ DR Holder	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Employee Benefit Trust (under SEBI (share based Employee Benefit) Regulations, 2014)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	4312509	1083959	5396468	100	4354004	1042464	5396468	100	Nil

B) SHAREHOLDING OF PROMOTER

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares pledged / encumbered to total shares	
1	Anagha Enterprises Pvt. Ltd	977835	18.12	Nil	977835	18.12	Nil	Nil
2	Prithviraj S. Parikh	8600	0.16	Nil	8600	0.16	Nil	Nil
3	Mina Parikh	34191	0.63	Nil	34191	0.63	Nil	Nil
	Total	1020626	18.91	Nil	1020626	18.91	Nil	Nil

C) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year - 2019		Date	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding at the end of the year - 2020	
		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	Anagha Enterprises Private Limited	977835	18.12	-	-	-	-	977835	18.12
2	Prithviraj S. Parikh	8600	0.16	-	-	-	-	8600	0.16
3	Mina Parikh	34191	0.63	-	-	-	-	34191	0.63

D) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS
(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding at the end of 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	Brijwasi Securities Private Limited	676800	12.54	-	-	-	-	676800	12.54
2	Smit Capital Services Private Limited	527800	9.78	-	-	-	-	527800	9.78
3	Transfabcon Projects Private Limited	450000	8.34	-	-	-	-	450000	8.34
4	Suresh Kumar Jalan	399540	7.40	At beginning of the year (as on 01.04.2019)				399540	7.40
				13.09.2019	Transfer	900	0.01	398640	7.39
5	Sisir Kumar Jalan	139400	2.58	-	-	-	-	139400	2.58
6	Servo Packaging Limited	101550	1.88	-	-	-	-	101550	1.88
7	Sisir Kumar Jalan HUF	99400	1.84	-	-	-	-	99400	1.84
8	Ashok Kumar Dalmia	85600	1.59	-	-	-	-	85600	1.59
9	Suresh Kumar Jalan HUF	82450	1.53	-	-	-	-	82450	1.53
10	Western Guineas Private Limited	51400	0.95	-	-	-	-	51400	0.95

E) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Prithviraj S. Parikh				
	At the beginning of the year	8600	0.16	8600	0.16
	At the end of the year	8600	0.16	8600	0.16
2	Mr. Hitesh V. Raja				
	At the beginning of the year	200	0.00	200	0.00
	At the end of the year	200	0.00	200	0.00
3	Ms. Sharmila Chitale				
	At the beginning of the year	100	0.00	100	0.00
	At the end of the year	100	0.00	100	0.00

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/ accrued but not due for payment.

(Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	N.A.	137,731,393	N.A.	137,731,393
ii) Interest due but not paid	N.A.	NIL	N.A.	NIL
iii) Interest accrued but not due	N.A.	14,354,319	N.A.	14,354,319
Total (i+ii+iii)	N.A.	152,085,712	N.A.	152,085,712
Change in Indebtedness during the financial year				
* Addition	N.A.	34,738,834	N.A.	34,738,834
* Reduction	N.A.	16,200,000	N.A.	16,200,000
Net Change		18,538,834		18,538,834
Indebtedness at the end of the financial year				
i) Principal Amount	N.A.	145,270,393	N.A.	145,270,393
ii) Interest due but not paid	N.A.	NIL	N.A.	NIL
iii) Interest accrued but not due	N.A.	25,354,153	N.A.	25,354,153
Total (i+ii+iii)	N.A.	170,624,546	N.A.	170,624,546

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND / OR MANAGER

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of Director	
		Whole Time Director / Managing Director / Manager	Total
1.	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	N.A.	N.A.
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.
	(c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	N.A.	N.A.
2.	Stock Option	N.A.	N.A.
3.	Sweat Equity	N.A.	N.A.
	Commission		
	- as % of profit	N.A.	N.A.
4.	- others, specify...		
5.	Others, please specify	N.A.	N.A.
	Total (A)	N.A.	N.A.
	Ceiling as per the Act	N.A.	N.A.

B. REMUNERATION TO OTHER DIRECTOR

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of Director			Total
		Prithviraj S. Parikh	Hitesh V. Raja	Sharmila S. Chitale	
1	Independent Directors	NIL	NIL	NIL	NIL
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL
2	Other Non-Executive Directors	NIL	NIL	NIL	NIL
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL	NIL	NIL

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGING DIRECTOR, WHOLE-TIME DIRECTOR / MANAGER

(Amount in ₹)

SL. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	Chief Financial officer	
		P.K.R.K. Menon	B. N. Kamath	
1	Gross salary	1,300,000	442,000	1,742,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	NIL	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	as % of profit			
	Other			
5	Medical Allowance	100,000	NIL	100,000
	Total	1,400,000	442,000	1,842,000

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			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

On behalf of the Board of Directors

Sd/-

Prithviraj S. Parikh

Director

DIN : 00106727

Sd/-

Hitesh V. Raja

Director

DIN :02681574

Place: Mumbai
Date : 16th July, 2020

ANNEXURE – C

SECRETARIAL AUDIT REPORTFOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2020

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

To,
The Members,
Eastcoast Steel Limited
Cuddalore Road,
Pillayarkuppam,
Bahoure Commune,
Pondicherry - 607402.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Eastcoast Steel Limited (hereinafter called the Company). The Secretarial Audit was conducted in a manner which provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

- (i) The Companies Act, 2013 (the Act) and the Rules made there under except provisions of section 203 of the Act;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and regulations made there under to the extent of Overseas Direct Investment; (Not applicable to the Company during audit period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during audit period);
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during audit period);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during audit period);

- (e) The Securities and Exchange Board of India; (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during audit period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during audit period);
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The Company having had stopped production at its Pondicherry plant owing to uneconomical operations since 1995, the activity have remained at a standstill.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;

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

I further report that

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

Adequate notice is given to all directors to schedule the Board Meetings and 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. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

I further report that during the audit period the Company has passed the following special resolution, which is having major bearing on the company's affairs, in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc:

1. To authorized the Board of Directors of the Company to sell, lease, transfer, assign or otherwise dispose and monetize the land and property of the Company pursuant to Section 180(1)(a) of the Act.

Sd/-

P. S. Ramnath

Practicing Company Secretary

FCS No: 819

C.P. No. 4159

UDIN : F000819B000463591

Place : Mumbai

Date : 16th July, 2020

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis ("MDA") Report mainly focuses on various factors and their impact on the business of Eastcoast Steel Limited (the "Company") during the financial year 2019-20 and to the date of this report. MDA also contains the overall scenario of the industry, its growth at global and domestic level, this further contains the possible effect of such industry scenario on the business of the Company.

The management of the Company opine and give their comments on the various resources that may affect necessary development of the Company's business.

ECONOMIC AND INDUSTRY OVERVIEW

GLOBAL ECONOMY

In 2019, the world economy grew by 2.9% compared with the 3.6% in the previous year, the lowest since the global financial crisis, as per the International Monetary Fund (IMF). The US economy grew by 2.3%, while China and India grew by 6.1% and 4.2%, respectively. The slowdown has been more pronounced in emerging economies like China, India and Brazil, among others. Weak business confidence due to rising trade barriers between the US and China, geopolitical tensions in other regions and fears of a no-deal BREXIT, have been key factors leading to the slow growth in 2019. The initial outlook for the ensuing year was for stronger growth, especially over the subdued 2019 economic performance, buoyed by favourable news on US-China trade negotiations, the UK transitioning to a new economic relationship with Europe by December 2020 and a healthy performance of emerging markets. However, 2020 saw a significantly changed scenario with the outbreak of the COVID-19 pandemic. This was followed by strong actions by the governments across the world in the form of a global lockdown to stem the rate of spread of the disease. Despite relief measures provided in the form of easing of monetary policy by central banks and fiscal packages announced by some governments, we are expected to see a contraction in global economy.

INDIAN ECONOMY

The Indian economy grew by 4.2% in FY 2019-20 due to sharper than expected slowdown in domestic demand and lingering stress in the Non-Banking Financial Company (NBFC) sector. The Government of India also announced a number of policy measures to boost investment, such as reduction in corporate tax rate from 30% to 22%, which was complemented by the easing of repo rates by the Reserve Bank of India. India's rank in the World Bank's Ease of Doing Business index has improved from 77 last year to 63 this year. The Indian economy was projected to grow at a stronger pace in FY 2020-21 than the previous year, supported by monetary and fiscal stimulus and lower oil prices. However, the unprecedented COVID-19 pandemic, and the subsequent nationwide lockdown by the Government, along with other necessary measures to contain the pandemic, have made experts revise their forecasts significantly, with possible contraction of the Indian GDP in Q1 FY 2020-21.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Steel Plant of the Company was operational till 1995 and suspended thereafter.

OPPORTUNITIES, THREATS, RISKS AND CONCERNS

The Company ceased to operate its Steel Plant and since then, there has been no activity in the Company. During the year, the Company continued taking steps to monetize the Steel Plant.

OPERATIONAL PERFORMANCE

The Company owns land located at Cuddalore Road, Pillayarkuppam, Bahoure Commune, Pondicherry – 607403 where Steel Plant of the Company is located. However, the said Plant of the Company is inoperative for many years. The Company intends to monetize the same and utilize the proceeds towards repaying existing loans including interest liabilities or enhancement of working capital of the Company for general business purposes. The Company had obtained the consent of shareholders by way of postal ballot on 13th July 2019 to lease, sell, transfer, assign or otherwise dispose or cause to be sold, leased, assigned, transferred and delivered the whole or part of the Land located at Cuddalore Road, Pillayarkuppam, Bahoure Commune, Pondicherry – 607403 together with buildings, structures, fixtures etc.

FINANCIAL PERFORMANCE

Since the Company did not have regular operations during the year ended 31st March 2020 and 31st March 2019, the operating ratios have not been computed.

INTERNAL CONTROL SYSTEMS

The Company has effectively and efficiently laid down policies, guidelines and procedures keeping in mind the nature, size and complexity of Company's business objectives. The Company maintains proper and adequate system of internal controls with well-defined policies, systems, process guidelines and operating procedures. The Company positively ensures strict adherence to various procedures, laws, rules and statutes. All transactions are recorded and reported in accordance with the applicable Accounting Standards and within the terms of accounting policies.

The Company has also ensured the periodical Internal Audit by an independent auditor, whose report is submitted to the Audit Committee and Board of Directors for consideration. During the Audit Process no material discrepancies have been reported by the Internal Auditor.

The Audit Committee is responsible to ensure the monitoring of Internal Control System and oversees the various financial transactions on a regular basis and any deviations are promptly reported to the Senior Management to ensure normalcy is established at the earliest, though, no such deviations had been reported by the Audit Committee during the FY 2019-20.

CAUTIONARY STATEMENT

Statements made in the Management Discussion and Analysis describing the Company's projection, estimates and expectations may be interpreted as "forward looking statements" within the meaning of applicable securities, laws and regulations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent information or events.

INDEPENDENT AUDITOR'S REPORT

To the Members of
Eastcoast Steel Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Eastcoast Steel Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, its loss including other comprehensive income, its cash flows and the statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Material Uncertainty related to Going Concern

With reference to note no.36 of the accompanying financial statement, the Company as at 31st March, 2020 has an outstanding borrowings of ₹1,452.70Lakhs and also has incurred cash losses over the years, which has resulted in the negative net worth. These factors may indicate material uncertainty, and cast significant doubt about the Company's ability to continue as a going concern. The Company vide postal ballot result dated 13th July, 2019 has obtained the approval of the shareholders to monetize by sale/disposal/transfer part of the company's property, the requisite funds could be mobilized to make good of the negative net worth and repay its existing debt liability. Therefore, the accounts are continued to be presented on going concern basis.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report for the year ended 31st March, 2020.

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

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

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

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

Management Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and the statement of 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 provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and

obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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 appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended;
 - e) On the basis of written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020, from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g) In our opinion, matter stated under Material uncertainty relating to going concern paragraph above may have an adverse effect on the functioning of the Company;
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact on its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, and
 - iii. There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm Registration No. 101720W/W100355

Sd/-

Amit Chaturvedi

Partner

Membership No. 103141

UDIN: - 20103141AAAAOP8504

Place : Mumbai

Date : 16th July, 2020

“ANNEXURE A” TO INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS OF EASTCOAST STEEL LIMITED

(Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date)

- i) In respect of its fixed assets :
- a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. In our opinion and according to the information and explanations given to us, title deeds of immovable properties are held in the name of the Company.
- ii) In respect of its inventories:
As the Company had no inventory during the year, clause (ii) of paragraph 3 of the Order is not applicable to the Company.
- iii) 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 Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
- iv) Company has not directly or indirectly advanced loan to the persons or given guarantees or securities in connection with the loan taken by persons covered under Section 185 of the Act. Company has complied with the provisions of Section 186 of the Act, in respect of loans, investments, guarantee or security given.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- vi) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company. Accordingly, the provision of clause 3(vi) of the order is not applicable.
- vii) In respect of Statutory dues :
- a. According to the records of the Company, undisputed statutory dues including goods and services tax, provident fund, income-tax, duty of customs, value added tax, cess and any other statutory dues as applicable to it have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2020 for a period of more than six months from the date of becoming payable.
 - b. On the basis of our examination of accounts and documents on records of the Company and information and explanations given to us upon enquires in this regard, there are no disputed amounts payable in respect of goods and services tax, provident fund, income-tax, sales-tax, service tax, duty of customs, value

added tax, cess and any other statutory dues as applicable to it on account of any dispute, which have not been deposited with the appropriate authorities.

- viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans to its financial institutions. The Company has not raised loans from banks or government or by issue of debentures.
- ix) The money raised by term loans has been applied for the purpose for which they are raised. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) Company has not paid any managerial remuneration during the year and hence clause (xi) of paragraph 3 of the Order is not applicable to the Company.
- xii) In our opinion Company is not a nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- xiii) In respect of transactions with related parties:
In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act and their details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or of fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under Section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.
- xvi) Based on information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No. 101720W/W100355

Sd/-

Amit Chaturvedi

Partner

Membership No. 103141

UDIN: - 20103141AAAAOP8504

Place : Mumbai

Date : 16th July, 2020

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS OF EASTCOAST STEEL LIMITED

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

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

We have audited the Internal Financial Control over financial reporting of Eastcoast Steel Limited (“the Company”) as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year then ended.

Management Responsibility for the 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 (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable

detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No. 101720W/W100355

Sd/-

Amit Chaturvedi

Partner

Membership No. 103141

UDIN: - 20103141AAAAOP8504

Place : Mumbai

Date : 16th July, 2020

Balance Sheet as at 31 March 2020

	Notes	(Amount in ₹)	
		As at 31 March 2020	As at 31 March 2019
Assets			
Non - Current Assets			
Property, Plant and Equipment	2	10,812,164	11,114,307
Financial Assets			
(i) Investments	3	-	56,475
(ii) Other financial assets	4	492,206	492,206
		11,304,370	11,662,988
Current Assets			
Financial Assets			
(i) Investments	5	9,097	8,627
(ii) Trade receivables	6	-	21,600
(iii) Cash and cash equivalents	7	241,788	215,040
(iv) Other financial assets	8	54,000	30,500
Current Tax Assets (net)	9	1,176,493	1,176,493
Other Current Assets	10	12,035	17,168
		1,493,413	1,469,428
		12,797,783	13,132,416
Total Assets			
Equity and Liabilities			
Equity :			
Equity Share Capital	11	53,964,680	53,964,680
Other Equity	12	(216,566,699)	(196,416,464)
		(162,602,019)	(142,451,784)
Liabilities			
Non Current Liabilities			
Financial Liabilities			
(i) Borrowings	13	115,904,000	93,650,000
(iii) Financial liabilities	14	21,113,038	11,168,079
Provisions	15	570,784	552,726
		137,587,822	105,370,805
Current Liabilities			
Financial Liabilities			
(i) Borrowings	16	29,366,393	44,081,393
(ii) Trade Payables	17	-	-
- Micro, small and medium enterprises		-	-
- Others		49,622	40,656
(iii) Other Financial Liabilities	18	6,356,647	4,105,016
Provisions	19	1,665,028	1,641,875
Other Current Liabilities	20	374,290	344,455
		37,811,980	50,213,395
		12,797,783	13,132,416
Total Equity and Liabilities			
Significant Accounting Policies and Other Explanatory Information	1 to 37		

As per our report of even date

For Chaturvedi & Shah LLP

(Firm Registration No. 101720W / W100355)

Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Amit Chaturvedi

Partner

Membership No.103141

Sd/-

Prithviraj. S. Parikh

Director

(DIN: 00106727)

Sd/-

Hitesh V Raja

Director

(DIN: 02681574)

Sd/-

P. K. R. K. Menon

Company Secretary

(FCS:1074)

Sd/-

B N Kamath

Chief Financial Officer and

Chief Executive Officer

(PAN: AESPK5610C)

Place : Mumbai

Date : 16th July 2020

Statement of Profit and Loss for the year ended 31 March 2020

(Amount in ₹)

	Notes	For the Year ended 31 March 2020	For the Year ended 31 March 2019
Income			
Revenue from Operations		-	-
Other Income	21	203,698	343,227
		203,698	343,227
Expenses			
Employee Benefits Expense	22	3,324,027	3,395,929
Finance Cost	23	12,224,799	14,764,028
Depreciation and Amortization Expenses	2	315,123	311,904
Other Expenses	24	4,711,195	2,967,345
		20,575,144	21,439,206
(Loss) Before Exceptional Items and Tax		(20,371,446)	(21,095,979)
Exceptional Items	25	-	8,740,074
(Loss) Before Tax		(20,371,446)	(29,836,053)
Tax expense:			
Current tax		-	-
Deferred tax		-	-
(Loss) for the Year		(20,371,446)	(29,836,053)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gain/ (losses) on defined benefit plans		221,211	127,745
Income tax effect		-	-
Other Comprehensive income for the year, net of tax		221,211	127,745
Total Comprehensive Income / (Loss) for the year		(20,150,235)	(29,708,308)
Basic and Diluted Earnings Per Share (in ₹) (Face Value ₹10)	33	(3.77)	(5.53)
Significant Accounting Policies and Other Explanatory Information		1 to 37	

As per our report of even date

For Chaturvedi & Shah LLP

(Firm Registration No. 101720W / W100355)

Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Amit Chaturvedi

Partner

Membership No.103141

Sd/-

Prithviraj. S. Parikh

Director

(DIN: 00106727)

Sd/-

Hitesh V Raja

Director

(DIN: 02681574)

Sd/-

P. K. R. K. Menon

Company Secretary

(FCS:1074)

Sd/-

B N Kamath

Chief Financial Officer and

Chief Executive Officer

(PAN: AESPK5610C)

Place : Mumbai**Date :** 16th July 2020

Cash Flow Statement for the year ended 31 March 2020

(Amount in ₹)

	Year ended 31 March 2020	Year ended 31 March 2019
A Cash Flows From Operating Activities		
(Loss) Before Tax	(20,371,446)	(29,836,053)
Adjustments For:		
Depreciation and Amortization Cost	315,123	311,904
Finance Cost	12,224,799	11,431,125
Sundry Balances written back	(11,509)	(140,000)
Dividend	(454)	(414)
Net gain on Current Investments	(15)	(24)
Interest Income	(131,720)	(66,668)
Gratuity and Compensated Absences	262,422	294,861
Operating Loss before Working Capital Changes	(7,712,800)	(18,005,269)
(Increase)/Decrease in Short Term Financial and other Current Assets	(18,365)	160,244
(Increase)/Decrease in Trade Receivables	21,600	(21,600)
Increase/(Decrease) in Trade Payables	20,473	(17,214)
Increase/(Decrease) in Other Financial Liabilities	12,196,589	10,320,206
Increase/(Decrease) in Provisions	-	(91,139)
Increase/(Decrease) in Other Current Liabilities	29,835	(501,177)
Cash Generated from / (Used in) Operating Activities	4,537,332	(8,155,949)
Direct taxes paid (net of refunds)	-	(6,664)
Net Cash Generated from / (Used in) Operations (A)	4,537,332	(8,162,613)
B Cash Flows From Investing Activities		
Purchase of Property, Plant and Equipment	(12,980)	-
Proceeds from Sale/Redemption of Investments	56,475	-
Purchase of Investments	(454)	(414)
Dividend Received	454	414
Interest Received	131,720	66,668
Net Cash Generated from Investing Activities (B)	175,215	66,668

(Amount in ₹)

	Year ended 31 March 2020	Year ended 31 March 2019
C Cash Flows From Financing Activities		
Proceeds from Short term Borrowings (net)	(14,715,000)	15,396,393
Proceeds from Long term Borrowings	22,254,000	15,500,000
Repayment of Long term Borrowings	-	(11,558,490)
Interest and Processing Fees Paid	(12,224,799)	(11,431,125)
Net Cash (Used in) / Generated from Financing Activities (C)	(4,685,799)	7,906,778
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	26,748	(189,167)
Cash and Cash Equivalent at the beginning of the year	215,040	404,207
Cash and Cash Equivalent at the end of the year (refer note 7)	241,788	215,040

Note:

- 1) The above cash flow statement has been prepared under the "Indirect Method" as per Indian Accounting Standard (Ind-AS) 7.
- 2) Figures in brackets indicate cash outflow and without brackets indicate cash inflow.
- 3) Change in Liability arising from financing activities.

Particulars	Non-Current Borrowings	Current Borrowings	Total
As at 01 April 2019	93,650,000	44,081,393	137,731,393
Add: Cash proceeds from borrowings	22,254,000	-	22,254,000
Less: Repayment of borrowings	-	14,715,000	14,715,000
As at 31 March 2020	115,904,000	29,366,393	145,270,393

As per our report of even date

For Chaturvedi & Shah LLP

(Firm Registration No. 101720W / W100355)

Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Amit Chaturvedi

Partner

Membership No.103141

Sd/-

Prithviraj. S. Parikh

Director

(DIN: 00106727)

Sd/-

Hitesh V Raja

Director

(DIN: 02681574)

Sd/-

P. K. R. K. Menon

Company Secretary

(FCS:1074)

Sd/-

B N Kamath

Chief Financial Officer and

Chief Executive Officer

(PAN: AESPK5610C)

Place : Mumbai**Date :** 16th July 2020

Statement of Changes in Equity for the year ended 31 March 2020

a	Equity share capital	Number	Amount
	As at 01 April 2018	5,396,468	53,964,680
	Issue of share capital	-	-
	Balance as at 31 March 2019	5,396,468	53,964,680
	Issue of share capital	-	-
	Balance as at 31 March 2020	5,396,468	53,964,680

b	Other Equity	Reserves and surplus			Other Comprehensive Income (OCI)	Total Equity
		Securities premium	Capital Reserve	Retained earnings	Re-measurement gain/(loss) on defined benefit plans through OCI	
	Balance as at 01 April 2018	94,323,634	2,500,000	(263,230,411)	(301,379)	(166,708,156)
	Loss for the year	-	-	(29,836,053)	-	(29,836,053)
	Other comprehensive income for the year	-	-	-	127,745	127,745
	Balance as at 31 March 2019	94,323,634	2,500,000	(293,066,464)	(173,634)	(196,416,464)
	Loss for the year			(20,371,446)	-	(20,371,446)
	Other comprehensive income for the year				221,211	221,211
	Balance as at 31 March 2020	94,323,634	2,500,000	(313,437,910)	47,577	(216,566,699)

Significant Accounting Policies and Other Explanatory Information 1 to 37

As per our report of even date

For Chaturvedi & Shah LLP

(Firm Registration No. 101720W / W100355)

Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Amit Chaturvedi

Partner

Membership No.103141

Sd/-

Prithviraj. S. Parikh

Director

(DIN: 00106727)

Sd/-

Hitesh V Raja

Director

(DIN: 02681574)

Sd/-

P. K. R. K. Menon

Company Secretary

(FCS:1074)

Sd/-

B N Kamath

Chief Financial Officer and

Chief Executive Officer

(PAN: AESPK5610C)

Place : Mumbai**Date** : 16th July 2020

Summary of the significant accounting policies and other explanatory information for the year ended 31st March 2020**1 SIGNIFICANT ACCOUNTING POLICIES:****1.1 Corporate information:**

Eastcoast Steel Limited ('the Company') is a public limited company incorporated in India under the provisions of the Companies Act, 1956 and its shares are listed on BSE Limited. The registered office of the Company is situated at Cuddalore Road, Pillayarkuppam Bahoure Commune, Pondicherry - 607 403, which is also the principal place of business. These financial statements were approved and adopted by Board of Directors in meeting dated 16th July 2020.

1.2 Basis of preparation and presentation:

These Financial Statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind-AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 (hereinafter referred to as 'the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other provisions of the Act.

The financial statements have been prepared on a historical cost convention and accrual basis, except for certain financial assets and liabilities measured at fair value and plan assets towards defined benefit plans, which are measured at fair value.

The financial statements of the Company are for the year ended 31st March 2020 and are prepared in Indian Rupees being the functional currency.

1.3 Current 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:

- (i) expected to be realised or intended to be sold or consumed in normal operating cycle,
- (ii) held primarily for the purpose of trading,
- (iii) expected to be realised within twelve months after the reporting period,
- (iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period, or
- (v) carrying current portion of non current financial assets.

All other assets are classified as non-current.

A liability is current when:

- (i) it is expected to be settled in normal operating cycle ;
- (ii) it is held primarily for the purpose of trading ;
- (iii) it is due to be settled within twelve months after the reporting period,
- (iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period, or
- (v) It includes current portion of non current financial liabilities.

All other liabilities are classified as non-current.

1.4 Operating cycle

All assets and liabilities have been classified as current and non-current as per the company's normal operating cycle and other criteria set out above which are in accordance with the schedule III to the Act. Based on the nature of services and time between the acquisition of assets for providing of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

1.5 Property, plant and equipment:

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation is provided in the manner prescribed in Part C of Schedule II to the Companies Act, 2013, over their useful life and management believe that useful life of assets are same as those prescribed in Part C of Schedule II to the Act.

Useful life considered for calculation of depreciation for various assets class are as follows-

Asset Class	Useful Life
Office Building	60 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Computers	3 years
Vehicles	8 years

The property, plant and equipment residual values, useful lives and method of depreciation are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the Statement of Profit and Loss, when the asset is derecognised.

An property, plant and equipment carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

1.6 Investments and other financial assets:

Initial recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVTPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame 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 following categories

(a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

(b) Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income (FVOCI) if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to make changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL."

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL impairment loss allowance (or reversal) recognised during the period is recorded as expense/ income in the Statement of Profit and Loss."

De-recognition of financial assets

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

Equity investments

All equity investments in the scope of Ind-AS 109, Financial Instruments, are measured at fair value. For equity instruments, the Company may make an irrevocable election to present the subsequent fair value changes in Other Comprehensive Income (OCI). The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

There is no recycling of the amounts from OCI to profit or loss, even on sale of investment.

Equity instruments included within the FVTPL (fair value through profit and loss) category are measured at fair value with all changes in fair value recognized in the profit or loss.”

1.7 Financial liabilities:**Initial recognition**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Subsequent measurement
Financial liabilities at FVTPL**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

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.

Where the terms of a financial liability is re-negotiated and the Company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the Statement of Profit and Loss; measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

De-recognition of financial liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. 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 de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting 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.

1.8 Fair value measurement:

The Company measures financial assets and financial liability 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 principal or the most advantageous market must be accessible by the Company. 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 minimizing 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 assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period."

1.9 Impairment of non-financial assets:

Assessment is done at each Balance Sheet date to evaluate whether there is any indication that a non-financial asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to their recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

1.10 Provisions, contingent liabilities and contingent assets:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognize contingent asset unless the recovery is virtually certain.

1.11 Borrowing cost:

General and specific borrowing costs directly attributable to the acquisition/ construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in Statement of Profit and Loss in the period in which they are incurred.

1.12 Recognition of income:

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

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

1.13 Employee benefits:**a) Short term employee benefits**

Short term employee benefits are recognised as expenditure at the undiscounted value in the Statement of Profit and Loss of the year in which the related service is rendered.

b) Post employment benefits**i) Defined contribution plan**

The Company's contribution to Provident Fund and Employees State Insurance Scheme is determined based on a fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis. The Company has categorised its Provident Fund, Labour Welfare Fund and the Employees State Insurance Scheme as a defined contribution plan since it has no further obligations beyond these contributions.

ii) Defined benefits plan

The Company's liability towards gratuity, being a defined benefit plan are accounted for on the basis of an independent 'actuarial valuation based on Projected Unit Credit Method.

Service cost and the net interest cost is included in employee benefit expense in the Statement of Profit and Loss. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in 'Other Comprehensive Income' as income or expense.

iii) Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The Company's liability is actuarially determined (using the Projected Unit Credit method).

1.14 Income tax:

Income tax expense comprises current tax, deferred tax charge or credit. The deferred tax charge or credit and the corresponding deferred tax liability and assets are recognized using the tax rates that have been enacted or substantially enacted on the Balance Sheet date.

Deferred Tax assets arising from unabsorbed depreciation or carry forward losses are recognized only if there is virtual certainty of realization of such amounts. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets are reviewed at each Balance Sheet date to reassess their reliability. "

1.15 Cash and cash equivalents:

Cash and cash equivalents includes cash in hand and deposits with any qualifying financial institution repayable on demand or maturing within three months from the date of acquisition and which are subject to an insignificant risk of change in value.

1.16 Earnings per share:

Basic earnings per share (EPS) is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year.

1.17 Significant management judgements in applying accounting policies and estimation uncertainty:

When preparing the financial statements, management makes a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. 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 future periods.

a) Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

b) Depreciation and useful lives of property, plant and equipment

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

d) Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

e) Material uncertainty about going concern

The Company's ability to continue as a going concern is further disclosed in note no. 36 of the financial statements.

2 Property, plant and equipment

(Amount in ₹)

Particulars	Freehold land	Office Building	Furniture and Fixtures	Office Equipment	Computers	Vehicles	Total
Gross block:							
As at 01 April 2018	2,832,179	14,124,924	1,278,841	2,017,467	168,605	985,000	21,407,016
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2019	2,832,179	14,124,924	1,278,841	2,017,467	168,605	985,000	21,407,016
Additions	-	-	-	-	12,980	-	12,980
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2020	2,832,179	14,124,924	1,278,841	2,017,467	181,585	985,000	21,419,996
Accumulated depreciation:							
As at 01 April 2018	-	5,834,979	1,278,840	2,017,466	168,604	680,916	9,980,805
Depreciation charge	-	259,060	-	-	-	52,844	311,904
Reversal on disposal of assets	-	-	-	-	-	-	-
Balance as at 31 March 2019	-	6,094,039	1,278,840	2,017,466	168,604	733,760	10,292,709
Depreciation charge	-	259,060	-	-	3,219	52,844	315,123
Reversal on disposal of assets	-	-	-	-	-	-	-
Balance as at 31 March 2020	-	6,353,099	1,278,840	2,017,466	171,823	786,604	10,607,832
Net block:							
Balance as at 31 March 2019	2,832,179	8,030,885	1	1	1	251,240	11,114,307
Balance as at 31 March 2020	2,832,179	7,771,825	1	1	9,762	198,396	10,812,164

(Amount in ₹)

Note 3	As at 31 March 2020	As at 31 March 2019
Non-Current Investments (Non-Trade)		
Investment in Government Securities at amortised cost		
In National Savings Certificate (Pledged with Pondicherry (now Puducherry) State Electricity Board and Commercial Tax Authorities)	-	56,475
Total	-	56,475

(Amount in ₹)

Note 4	As at 31 March 2020	As at 31 March 2019
Non Current Financial Assets - Other (Unsecured and considered good)		
Security Deposits	492,206	492,206
Total	492,206	492,206

(Amount in ₹)

Note 5	As at 31 March 2020	As at 31 March 2019
Current Investments (Non-Trade)		
Unquoted investments in Mutual Funds at FVTPL HDFC Cash Management Fund - Treasury Advantage Plan- Retail Regular Plan. 889,126 Units (Previous year: 848,294 Units)	9,097	8,627
Total	9,097	8,627

(Amount in ₹)

Note 6	As at 31 March 2020	As at 31 March 2019
Trade Receivables- Current (Unsecured and considered good) Receivable from Others	-	21,600
Total	-	21,600

(Amount in ₹)

Note 7	As at 31 March 2020	As at 31 March 2019
Cash and Cash Equivalents		
Cash on Hand	16,787	4,083
Balances with Banks - in current accounts	225,001	210,957
Total	241,788	215,040

(Amount in ₹)

Note 8	As at 31 March 2020	As at 31 March 2019
Current Financial Assets - Others (Unsecured and considered good)		
Employee Advances	54,000	30,500
Total	54,000	30,500

(Amount in ₹)

Note 9	As at 31 March 2020	As at 31 March 2019
Current Tax Assets (net of provision)	1,176,493	1,176,493
Total	1,176,493	1,176,493

(Amount in ₹)

Note 10	As at 31 March 2020	As at 31 March 2019
Other Current Assets (Unsecured and considered good)		
Prepaid Expenses	12,035	17,168
Total	12,035	17,168

(Amount in ₹)

Note 11	As at 31 March 2020	As at 31 March 2019
Equity Share Capital		
Authorised Share Capital 10,000,000 Equity Shares (Previous year: 10,000,000 Equity Shares) of ₹ 10/- each	100,000,000	100,000,000

(Amount in ₹)

Note 11	As at 31 March 2020	As at 31 March 2019
Issued, Subscribed and Fully Paid up 5,396,468 Equity Shares (Previous year: 5,396,468 Equity Shares) of ₹ 10/- each fully paid	53,964,680	53,964,680
Total	53,964,680	53,964,680

a) Reconciliation of number of Equity Shares:		
Balance as at the beginning of the year	5,396,468	5,396,468
Add : Issued during the year	-	-
Balance as at the end of the year	5,396,468	5,396,468

b) Shareholders holding more than 5% of the Equity Shares:

Name of the Shareholder	As at 31 March 2020		As at 31 March 2019	
	No. of Shares	% held	No. of Shares	% held
Anagha Enterprises Private Limited	977,835	18.12%	977,835	18.12%
Brijwasi Securities Private Limited	676,800	12.54%	676,800	12.54%
Smit Capital Services Private Limited	527,800	9.78%	527,800	9.78%
Transfabcon Projects Private Limited	450,000	8.34%	450,000	8.34%
Suresh Kumar Jalan	398,640	7.39%	399,540	7.40%

c) Rights, preferences and restrictions attached to shares:

The Company has only one class of equity shares having face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. Equity shareholders are also entitled to dividend as and when proposed by the Board of Directors and approved by shareholders in Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

(Amount in ₹)

Note 12	As at 31 March 2020	As at 31 March 2019
Other Equity		
a) Securities premium		
Balance at the beginning of the year	94,323,634	94,323,634
Add: Premium received / utilised during the year	-	-
Balance at the end of the year	94,323,634	94,323,634
b) Capital reserve		
Balance at the beginning of the year	2,500,000	2,500,000
Less: Additions / Deductions during the year	-	-
Balance at the end of the year	2,500,000	2,500,000
c) Items of Other Comprehensive Income		
Re-measurement gain/(loss) on defined benefit plans through OCI		
Balance at the beginning of the year	(173,634)	(301,379)
Add: Changes during the year	221,211	127,745
Balance at the end of the year	47,577	(173,634)

(Amount in ₹)

Note 12	As at 31 March 2020	As at 31 March 2019
d) Deficit in the Statement of Profit and Loss		
Balance at the beginning of the year	(293,066,464)	(263,230,411)
Add: Loss for the year	(20,371,446)	(29,836,053)
Balance at the end of the year	(313,437,910)	(293,066,464)
Total	(216,566,699)	(196,416,464)

Nature and purpose of reserves**(i) Securities premium :**

The amount received in excess of face value of Equity Shares is recognised as Securities Premium. The reserve will be utilised in accordance with the provisions of the Act.

(ii) Capital reserve:

The Capital Reserve is the capital subsidy received by the Company from the Government of Pondicherry (now Puducherry) during the financial year 1988-89 and 1989-90.

(iii) Other comprehensive income:

Items of Other Comprehensive Income consists of remeasurement of defined benefit liability / asset.

(iv) Statement of profit and loss:

Retained earnings pertain to the accumulated earnings by the Company over the years.

(Amount in ₹)

Note 13	As at 31 March 2020	As at 31 March 2019
Non Current Financial Liabilities - Borrowings		
Unsecured		
Loan from Related Party	57,904,000	40,650,000
Loan from Others	58,000,000	53,000,000
Total	115,904,000	93,650,000

Notes: The unsecured loans are repayable over a period of 3 to 5 years.

(Amount in ₹)

Note 14	As at 31 March 2020	As at 31 March 2019
Non Current Financial Liabilities - Others		
Interest Accrued but not due to Related Party	10,209,731	5,588,272
Interest Accrued but not due to Others	10,903,307	5,579,807
Total	21,113,038	11,168,079

(Amount in ₹)

Note 15	As at 31 March 2020	As at 31 March 2019
Non Current Provisions		
Provision for Gratuity (refer note 34)	463,572	449,476
Provision for Compensated Absences (refer note 34)	107,212	103,250
Total	570,784	552,726

(Amount in ₹)

Note 16	As at 31 March 2020	As at 31 March 2019
Current Financial Liabilities - Borrowings		
Unsecured		
Loan from Director	3,825,000	18,540,000
Loan from Related Party	25,541,393	25,541,393
Total	29,366,393	44,081,393

(Amount in ₹)

Note 17	As at 31 March 2020	As at 31 March 2019
Current Financial Liabilities - Trade Payables		
Micro, Small and Medium Enterprises (refer note below)	-	-
Others	49,622	40,656
Total	49,622	40,656

The Company has amount due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act). The disclosure pursuant to the said Act is as under:

(Amount in ₹)

	As at 31 March 2020	As at 31 March 2019
Principal amount due to suppliers under MSMED Act	-	-
Interest accrued and due to suppliers under MSMED Act on the above unpaid amount	-	-
Interest accrued and not due to suppliers under MSMED Act	-	-
Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
Interest paid to suppliers under MSMED Act (Other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act for payment already made	-	-
Interest accrued and remaining unpaid at the end of the period to suppliers under MSMED Act	-	-

Note:- This information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the Company.

(Amount in ₹)

Note 18	As at 31 March 2020	As at 31 March 2019
Current Financial Liabilities - Others		
Interest Accrued but not due to Related Party	4,241,115	3,186,240
Other Accrued Liabilities	2,115,532	918,776
Total	6,356,647	4,105,016

(Amount in ₹)

Note 19	As at 31 March 2020	As at 31 March 2019
Current Provisions		
Provision for Gratuity (refer note 34)	1,507,942	1,498,378
Provision for Compensated Absences (refer note 34)	157,086	143,497
Total	1,665,028	1,641,875

(Amount in ₹)

Note 20	As at 31 March 2020	As at 31 March 2019
Other Current Liabilities		
Statutory Dues	374,290	344,455
Total	374,290	344,455

(Amount in ₹)

Note 21	For the year ended 31 March 2020	For the year ended 31 March 2019
Other Income		
On assets measured at amortised cost		
- Interest Income	131,720	66,668
On assets measured at fair value through profit or loss		
- Net gain on Current Investments	15	24
- Dividend on Current Investment	454	414
Sundry Balances written back	11,509	140,000
Miscellaneous Income	60,000	136,121
Total	203,698	343,227

(Amount in ₹)

Note 22	For the year ended 31 March 2020	For the year ended 31 March 2019
Employee Benefits Expense		
Salaries and Wages	2,671,277	2,754,743
Contribution to Provident and Other Funds	117,334	136,101
Gratuity and Compensated Absences (refer note 34)	262,422	294,861
Employees Welfare Expenses	272,994	210,224
Total	3,324,027	3,395,929

(Amount in ₹)

Note 23	For the year ended 31 March 2020	For the year ended 31 March 2019
Finance Cost		
Bank Charges	2,760	2,443
Interest Expenses	12,222,039	11,428,682
Unwinding of discount on loans at amortised cost	-	3,332,903
Total	12,224,799	14,764,028

(Amount in ₹)

Note 24	For the year ended 31 March 2020	For the year ended 31 March 2019
Other expenses		
Advertisement Expenses	126,382	49,056
Auditor's Remuneration (refer note 24.1)	94,400	94,400
Books and Periodicals Expenses	4,250	4,290
Electricity Charges	65,824	71,938
Entertainment Expenses	14,565	15,944
Printing and Stationery Expenses	85,886	123,516
Legal and Professional Fees	1,512,807	450,597
Listing Fees	354,000	295,000
Postage and Telegram	272,824	243,792
Rates and Taxes	95,033	41,432

(Amount in ₹)

Note 24	For the year ended 31 March 2020	For the year ended 31 March 2019
Repairs and Maintenance		
Building	-	-
Others	409,938	296,959
Security Charges	786,660	852,707
Travelling Expenses	382,370	229,286
Miscellaneous Expenses	506,256	198,428
Total	4,711,195	2,967,345

(Amount in ₹)

Note 24.1	For the year ended 31 March 2020	For the year ended 31 March 2019
Auditor's Remuneration		
Statutory Audit Fees	94,400	94,400
Total	94,400	94,400

(Amount in ₹)

Note 25	For the year ended 31 March 2020	For the year ended 31 March 2019
Exceptional Items		
Interest on delayed payment of Electricity Charges [refer note (a) below]	-	8,740,074
Total	-	8,740,074

- a) During the previous year, the Company received a demand of ₹8,740,074, from the Electricity Department, Government of Puducherry, vide letter ESL/2018-19/HS-042, dated 05 June 2018, towards interest on delayed payment of Electricity arrears. This demand has been discharged and recorded as 'Exceptional item' in the financial statement for the year ended 31 March 2019.

26. Fair value measurements

Financial instruments by category:

All financial assets and financial liabilities of the Company are under the amortised cost measurement category at each of the reporting dates except mutual funds investments which are recognised and measured at fair value through profit or loss (FVTPL) and borrowings, which are recognised and measured at fair value through other comprehensive income (FVOCI).

Fair value hierarchy

The following table provides the fair value measurement hierarchy of Company's financial assets and financial liabilities

(Amount in ₹)

Category	31 March 2020				
	Non-Current	Current	Level 1	Level 2	Level 3
Financial Assets					
At FVTPL					
Investments	-	9,097	9,097	-	-
At Ammortised Cost					
Other financial assets	492,206	54,000	-	-	-
Cash and Cash Equivalents	-	241,788	-	-	-
Total	492,206	304,885	9,097	-	-

(Amount in ₹)

Category	31 March 2020				
	Non-Current	Current	Level 1	Level 2	Level 3
Financial Liabilities					
At Ammortised Cost					
Borrowings	115,904,000	29,366,393	-	115,904,000	-
Trade Payables	-	49,622	-	-	-
Other Financial Liabilities	21,113,038	6,356,647	-	21,113,038	-
Total	137,017,038	35,772,661	-	137,017,038	-
Category	31 March 2019				
	Non-Current	Current	Level 1	Level 2	Level 3
Financial Assets					
At FVTPL					
Investments	-	8,627	8,627	-	-
At Ammortised Cost					
Other Investments	56,475	-	-	-	-
Other financial assets	492,206	30,500	-	-	-
Cash and Cash Equivalents	-	215,040	-	-	-
Total	548,681	254,167	8,627	-	-
Financial Liabilities					
At Ammortised Cost					
Borrowings	93,650,000	44,081,393	-	93,650,000	-
Trade Payables	-	40,656	-	-	-
Other Financial Liabilities	11,168,079	4,105,016	-	11,168,079	-
Total	104,818,079	48,227,065	-	104,818,079	-

- During the periods mentioned above, there have been no transfers amongst the level 2 and level 3 hierarchy.

Valuation process

- The Company evaluates the fair value of financial assets and financial liabilities on periodic basis using the best and most relevant data available.
- Fair value of investments in Mutual Funds is on the basis of Net Assets Value (NAV) declared.
- The carrying amounts of other financial assets, current borrowings, trade payables and other current financial liabilities are considered to be approximately equal to their fair value, since those are current in nature or are not material.
- Fair value of borrowings and interest accrued thereon that are non-current in nature is calculated on the basis of discounted future cash flows.

27. Financial risk management objectives and policies

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of the significant portion of these financial liabilities is to finance the dues towards arrears of electricity charges, demurrage charges and other routine expenditure of the Company. The Company's principal financial assets include security deposits, cash and cash equivalents and other financial assets.

The Company is exposed to market risk and liquidity risk. Company's senior management oversees the management of these risks. It is Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

a) 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. Company does not have significant foreign currency risk exposure to the risk of changes in market interest rates as Company's long-term debt obligations is at fixed interest rates.

b) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables and other financial liabilities.

Liquidity risk management

The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs. The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

(Amount in ₹)

Particulars	As at 31 March 2020						
	Carrying Amount in ₹	On demand	Less than 6 months	6 to 12 months	1 to 5 years	Beyond 5 years	Total
Borrowings	145,270,393	3,825,000	-	120,945,393	20,500,000	-	145,270,393
Other financial liabilities	27,469,685	4,241,115	2,115,532	19,149,043	1,963,995	-	27,469,685
Trade payables	49,622	-	49,622	-	-	-	49,622

(Amount in ₹)

Particulars	As at 31 March 2019						
	Carrying Amount in ₹	On demand	Less than 6 months	6 to 12 months	1 to 5 years	Beyond 5 years	Total
Borrowings	137,731,393	18,540,000	-	25,541,393	93,650,000	-	137,731,393
Other financial liabilities	15,273,095	3,186,240	918,776	-	11,168,079	-	15,273,095
Trade payables	40,656	-	40,656	-	-	-	40,656

c) Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. Company is exposed to credit risk from loans advanced and deposits with banks. To manage this, the Company exposure to its counter parties are continuously monitored. Company deals with counter parties having high credit rating.

28. Capital Management

The primary objective of Company's capital management is to maximise the shareholders value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure, healthy capital ratio's and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum return for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended 31st March 2020.

- 29** The Company has not been carrying on any operations. Hence information pursuant to Ind-AS 108 on "Operating Segments" is not applicable to the Company.
- 30** The Company has suspended its operation. In view thereof and in consideration of prudence, the Company has not recognised Deferred Tax Asset in respect of set off of available losses and timing differences.
- 31** No provision for taxation in necessary, in view of the accumulated losses incurred over the years as well as in the current year under review.

32 Related Party Disclosures:

As per Ind-AS 24 "Related Party Disclosures", disclosure of transactions with the related parties and their balances as at the year end are given below:

i) Names of related parties and description of relationship:

Name of the Related Party	Designation	Relationship
Prithviraj S. Parikh	Promoter / Director	Key Management Personnel (KMP)
P. K. R. K. Menon	Company Secretary	
B N Kamath	Chief Financial Officer and Chief Executive Officer	
WRM Private Limited		Companies in which KMP or their relative have significant influence
Anagha Enterprises Private Limited		
Wist Overseas Private Limited		

ii) Disclosures of transactions between the Company and its related parties during the year:

(Amount in ₹)

Particulars	Name of the Party	Amount
1) Short Term Borrowings Taken	Prithviraj S. Parikh	1,485,000
		(5,455,000)
2) Long Term Borrowings Taken	Anagha Enterprises Private Limited	17,254,000
		(10,650,000)
3) Short Term Borrowings Repaid	Prithviraj S. Parikh	16,200,000
		(15,600,000)
4) Remuneration expense	P. K. R. K. Menon	1,300,000
		(1,300,000)
	B N Kamath	442,000
		(442,000)
5) Interest expense	Prithviraj S. Parikh	1,172,084
		(2,526,826)
	Anagha Enterprises Private Limited	5,134,955
		(4,197,137)

Note: Figures in brackets represents Previous Year's amount.

iii) Balance as at year end:

(Amount in ₹)

Particulars	Name of the Party	Financial Year ended	Amount
Short Term Borrowings	Prithviraj S. Parikh	31-Mar-20	3,825,000
		31-Mar-19	18,540,000
Long Term Borrowings	WRM Private Limited	31-Mar-20	25,541,393
		31-Mar-19	25,541,393
	Anagha Enterprises Private Limited	31-Mar-20	57,904,000
		31-Mar-19	40,650,000
Interest payable	Prithviraj S. Parikh	31-Mar-20	4,241,115
		31-Mar-19	3,186,240
	Anagha Enterprises Private Limited	31-Mar-20	10,209,731
		31-Mar-19	5,588,272

33 Earnings per share (EPS)

The amount considered in ascertaining the Company's earnings per share constitutes the net profit after tax and includes post tax effect of any exceptional items. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential shares.

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Net loss after tax attributable to equity shareholders (In ₹)	(20,371,446)	(29,836,053)
Weighted average number of shares outstanding during the year – Basic and Diluted	5,396,468	5,396,468
Basic and Diluted earnings per share (In ₹)	(3.77)	(5.53)
Nominal value per equity share (In ₹)	10.00	10.00

34 Employee Benefits Obligations

As per Ind-AS 19 "Employee Benefits"; the disclosures as defined in the Indian Accounting Standard are given below :

Defined Contribution Plans:

The Company offers its employees defined contribution plan in the form of provident fund, family pension fund and superannuation fund. Provident fund, family pension fund cover substantially for all regular employees. Contributions are paid during the year into separate funds. While both the employees and the company pay predetermined contributions into the provident fund and pension fund, no fund has been created by the Company for gratuity. The Company's contribution to the provident fund and family pension fund has been charged to Statement of Profit and Loss.

Contribution to Defined Contribution Plans, recognised as expense for the year is as under :

Particulars	(Amount in ₹)	
	2019-20	2018-19
Employer's Contribution to Provident Fund	78,556	72,535
Employer's Contribution to Pension Scheme	13,366	27,182
Employer's Contribution to ESIC	21,962	32,610

Defined Benefit Plans:

The Company offers its employees defined benefit plans in the form of gratuity (a lump sum amount). Benefits under the defined benefit plans are based on years of service and the employees last drawn salary immediately before exit. The gratuity scheme covers substantially all regular employees. However the Company has not created any fund in accordance with the scheme. Commitments are actuarially determined at year end. As per Ind-AS 19 "Employee Benefits," Actuarial valuation is done based on "Projected Unit Credit Method." Gains and loss of changed actuarial assumptions are charged to Statement of Profit & Loss.

	Particulars	(Amount in ₹)	
		Gratuity (Non funded)	
		2019-20	2018-19
I	Change in Defined Benefit Obligation during the year		
	Defined Benefit Obligation at the beginning of the year	1,947,854	1,864,620
	Interest Cost	134,402	136,445
	Current Service Cost	93,230	112,993
	Benefits paid during the year	-	(41,539)
	Actuarial (gain) / loss on Defined Benefit Obligation	(203,972)	(124,665)
	Defined Benefit Obligation at the end of the year	1,971,514	1,947,854
II	Change in fair value of Plan Assets during the year		
	Fair value of Plan Assets at the beginning of the year	-	-
	Expected Return on plan assets	-	-
	Contribution	-	-
	Benefits paid during the year	-	-
	Actuarial (gain) / loss on Plan Assets	-	-
	Fair value of Plan Assets at the end of the year	-	-

	Particulars	(Amount in ₹)	
		Gratuity (Non Funded)	
		2019-20	2018-19
III	Amount to be recognised in Balance Sheet:		
	Present value of Defined Benefit Obligations	1,971,514	1,947,854
	Fair value of plan assets at the end of the year	-	-
	Amount recognised in Balance Sheet	1,971,514	1,947,854

(Amount in ₹)

	Particulars	Gratuity (Non Funded)	
		2019-20	2018-19
IV	Current / Non-current bifurcation:		
	Current benefit obligation	1,507,942	1,498,378
	Non-current benefit obligation	463,572	449,476
V	Expenses recognised in the Statement of Profit and Loss for the year		
	Current Service Cost	93,230	112,993
	Interest cost on obligation	134,402	136,445
	Expected Return on plan assets	-	-
	Expense recognised in the Statement of Profit and Loss	227,632	249,438
VI	Recognised in Other Comprehensive Income for the year		
	Remeasurement due to:		
	Effect of change in financial assumption	(5,052)	969
	Effect of change in plan experience	(198,920)	(123,658)
	Effect of change in demographic assumption	-	(1,976)
	Return on plan of assets (excluding interest)	-	-
	Net Actuarial (gain) / loss recognised for the year	(203,972)	(124,665)
VII	Actuarial assumptions used for estimating defined benefit obligation		
	Discount Rate	6.02%	6.97%
	Salary Escalation Rate	5.00%	6.25%
	Attrition / Withdrawal Rate	5% to 1%	5% to 1%
	Mortality Rate	IALM 2012-2014 (Ultimate)	IALM 2012-2014 (Ultimate)

Notes:-

- 1) Estimates of future salaries increases are based on inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market. This assumption has been determined in consultation with the Company.
- 2) Discount rate used for valuing liabilities is based on yield (as on valuation date) of Government with a term equal to the average future working life time of the employees.
- 3) Withdrawal rate used for valuing liabilities have been considered as 5% at younger ages and reducing as per graduated scale to 1%.
- 4) Retirement age has been considered as 65 years.
- 5) The above information is certified by actuary.
These gratuity plan typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yield at the end of reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity risk

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 after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

- 35** Additional Information as required under Section 186 (4) of the Companies Act, 2013 during the year
- No Investment made in Body Corporate.
 - No Guarantee is given by the Company.
 - No Loans are given by the Company to Body Corporate or person.
- 36** The Company as at 31st March 2020 has an outstanding borrowings of ₹1,452.70 lakhs and also has incurred cash losses over the years, which has resulted in the negative net worth. These factors may indicate material uncertainty, and cast significant doubt about the Company's ability to continue as a going concern. The Company vide postal ballot result dated 13th July 2019 has obtained the approval of the shareholders to monetize by sale/disposal/transfer part of the company's property, the requisite funds could be mobilized to make good of the negative net worth and repay its existing debt liability. Therefore, the accounts are continued to be presented on going concern basis.
- 37** The figures of the previous year have been reworked, regrouped, rearranged and reclassified, wherever considered necessary to conform to the current year presentation.

As per our report of even date

For Chaturvedi & Shah LLP

(Firm Registration No. 101720W / W100355)

Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Amit Chaturvedi

Partner

Membership No.103141

Sd/-

Prithviraj. S. Parikh

Director

(DIN: 00106727)

Sd/-

Hitesh V Raja

Director

(DIN: 02681574)

Sd/-

P. K. R. K. Menon

Company Secretary

(FCS:1074)

Sd/-

B N Kamath

Chief Financial Officer and

Chief Executive Officer

(PAN: AESPK5610C)

Place : Mumbai

Date : 16th July 2020