



S K AGRAWAL AND CO

Chartered Accountants
Firm Registration No. 306033E

SUITE NOS : 606-608
THE CHAMBERS, OPP. GITANJALI STADIUM
1865, RAJDANGA MAIN ROAD, KASBA
KOLKATA - 700 107
PHONE : 033-4008 9902/9903/9904
FAX : 033-40089905, Website : www.skagrawal.co.in

INDEPENDENT AUDITOR'S REPORT

To the Members of **Mark Steels Limited**

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the financial statements of Mark Steels Limited ("the Company"), which comprises the Balance sheet as at 31st March 2020, and the Statement of Profit and Loss (Including Other Comprehensive Income), Cash Flow Statement and the Statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as "Ind AS financial statements").

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on financial Statements.

Emphasis of Matter

We draw attention to Note 45 to the Ind AS financial statements, as regards to management evaluation on the potential impact of the Covid-19 pandemic on the Company's operations and financial statements. Our opinion is not modified in respect of this matter.

Responsibility of the Management for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that gives a true and fair view of the financial position financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that gives 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.





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

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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



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HIG-2/121, SATYASI ENCLAVE, KHANDAGIRI, BHUBANESWAR, ORISSA-751 030

488/2, ADARSH NAGAR, DURGA MANDIR ROAD, HIRAPUR, DHANBAD - 826 001, ☎ : 94301 36226

591, MITRA COMPOUND, BORING ROAD, PATNA-800 001, ☎ : 99035 90022



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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, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statements of Cash Flows dealt with by this report are in agreement with the books of account;
- d. In our opinion, the Balance sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of changes in Equity and the Statement of Cash flows comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on March 31, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer to Note 36 to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Kolkata

Dated: 13th July, 2020



For **S K AGRAWAL AND CO**

Chartered Accountants

Firm Registration No.-306033E

Hemant Kumar Lakhota

Hemant Kumar Lakhota
(Partner)

Membership No. 068851

UDIN: 20068851AAAAET6083

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Annexure -A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditor's Report to the members of **Mark Steels Limited** (the Company') on the Ind AS financial statements for the year ended on 31st March 2020. We report that:

- i. In respect of the Company's fixed Assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of Physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) According to information and explanations given to us and the records examined by us including registered title deeds, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the Balance Sheet date.
- ii. According to the information and explanations given to us, the inventories has been physically verified by the management during the year. The physical verification of inventory as on 31st March 2020 could not be conducted due to COVID-19 outbreak, however, alternate audit procedures were applied for reviewing the existence of the inventory. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
- 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 Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities made.
- v. According to the information and explanations given to us, the Company has not accepted any deposits under the provisions of Sections 73 to Section 76 of the Companies Act, 2013 during the year. Hence, the provisions of Clause (v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148 of the Companies Act, 2013, and are of the opinion that prima-facie the prescribed records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Service Tax, Sales Tax, Value Added Tax, duty of Customs, duty of Excise, Cess, Goods and Service Tax and other statutory dues with the appropriate authorities during the year. 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 they became payable.

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- (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess, which have not been deposited on account of any dispute other than those disputed as indicated below.

Name of the Statute	Nature of dues	Amount Rs. (In Lacs)	Period to which the amount relates	Forum where dispute is pending
West Bengal Entry Tax Act	Entry Tax demand	337.70	2012-2013 to 2016-17	In the High Court at Calcutta
Central Excise Act, 1944	Excise duty demand	33.78	October 2016 to June 2017	In the Commissioner Appeals
Income Tax Act, 1961	Income Tax	46.52	2010-11	In the Commissioner of Income Tax (Appeals)
ESI ACT, 1948	ESI Contribution	3.02	January 2011 to February 2015	Employees' Insurance court

- viii. In our opinion and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institution and banks. The Company does not have any loans or borrowings from Government and has not issued any debentures.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, the Company has paid/provided for managerial remunerations in accordance with the requisite approvals mandated by the provisions of Sec 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable Indian Accounting Standards.
- xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.





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- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Kolkata
Dated: 13th July, 2020



For S K AGRAWAL AND CO
Chartered Accountants
Firm Registration No.-306033E

Hemant Kumar Lakhotia
(Partner)

Membership No. 068851

UDIN: 20068851AAAAET6083



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Annexure -B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Mark Steels Limited** ("the Company") as of 31st March 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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.



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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 authorisation 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Kolkata

Dated: 13th July, 2020

For S K AGRAWAL AND CO

Chartered Accountants

Firm Registration No.-306033E

Hemant Kumar Lakhotia
(Partner)

Membership No. 068851

UDIN: 20068851AAAAET6083

MARK STEELS LIMITED
Balance Sheet as at March 31, 2020

Particulars	Notes	As at March 31, 2020 Amount in Rs.	As at March 31, 2019 Amount in Rs.
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3	14,88,48,706	15,95,55,713
(b) Capital Working Progress	3	15,20,000	8,00,000
(c) Financial Assets			
(i) Investments	4	54,10,230	88,87,618
(ii) Other financial assets	5	9,26,573	8,58,574
		15,67,05,509	17,01,01,905
2 Current assets			
(a) Inventories			
(b) Financial Assets	6	31,53,59,880	20,08,53,180
(i) Investment	7	4,19,15,836	1,66,07,580
(ii) Trade receivables	8	2,64,69,530	4,75,25,790
(iii) Cash and Cash equivalents	9	2,25,52,279	2,73,21,123
(iv) Bank balance other than above	10	1,82,27,866	99,27,866
(v) Loans	11	21,05,32,380	33,48,99,602
(vi) Other financial assets	12	27,09,916	20,68,251
(c) Current Tax Assets	13	-	30,16,043
(d) Other current assets	14	3,50,65,773	3,49,67,999
		67,28,33,460	67,71,87,434
Total Assets		82,95,38,969	84,72,89,339
EQUITY AND LIABILITIES			
EQUITY			
3 Shareholders' Funds			
(a) Share Capital	15	4,28,57,140	4,28,57,140
(b) Other Equity	16	52,12,33,297	44,02,15,486
Total Equity		56,40,90,437	48,30,72,626
LIABILITIES			
4 Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	14,59,580	12,25,800
(b) Provisions	18	77,66,182	60,80,195
(c) Deferred tax liabilities (Net)	19	1,93,63,516	2,28,79,516
		2,85,89,278	3,01,85,511
5 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	1,26,14,575	6,20,93,644
(ii) Trade Payables	21		
A) total outstanding dues of micro enterprises and small enterprises; and			
B) total outstanding dues of creditors other than micro enterprises and small enterprises		18,74,12,582	23,75,37,455
(iii) Other financial liabilities	22	48,74,585	32,36,192
(b) Other Current Liabilities	23	1,86,59,918	3,11,63,911
(c) Current Tax Liabilities	24	1,32,97,594	-
		23,68,59,254	33,40,31,202
Total Liabilities		26,54,48,532	36,42,16,713
Total equity and liabilities		82,95,38,969	84,72,89,339

Summary of Significant Accounting Policies

Notes on Financial Statements

The accompanying notes are an integral part of the financial statements

As per our Report attached of even date

For S K AGRAWAL AND CO

Chartered Accountants

Firm Regn. No. 306033E

Hemant Kumar Lakhotia
(Partner)

Membership No. 068851

Kolkata, 13 th day of July, 2020



For and on Behalf of the Board of Directors

Vineet Agarwal

Umesh Kumar Jhunjhunwala

Director

DIN:00448079

Vineet Agarwal

Director

DIN:00441223

MARK STEELS LIMITED
Statement of Profit and Loss for the year ended March 31, 2020

Particulars	Notes	For the year ended March 31, 2020 Amount in Rs.	For the year ended March 31, 2019 Amount in Rs.
I. Income			
Revenue from Operations	25	1,37,82,68,063	1,61,04,93,038
Other Income	26	1,52,69,744	1,78,08,006
Total Income		1,39,35,37,807	1,62,83,01,044
II. Expenses			
Cost of raw materials consumed	27	1,03,05,91,158	1,27,07,74,440
Changes in inventories of finished goods	28	(1,26,93,798)	12,86,216
Employee benefits expense	29	4,62,06,617	4,45,33,088
Finance costs	30	47,74,194	62,26,940
Depreciation and amortization expense	3	1,68,29,138	1,65,96,159
Other expenses	31	19,78,54,133	20,60,58,164
Total Expenses		1,28,35,61,442	1,54,54,75,007
III. Profit before tax (I - II)		10,99,76,365	8,28,26,037
IV. Tax expenses			
Current tax	33	3,15,00,000	2,54,62,000
Tax adjustment for earlier years	33	4,31,900	2,76,532
Deferred tax	33	(33,80,000)	(70,01,846)
Total tax expenses		2,85,51,900	1,87,36,686
V. Profit for the year (III - IV)		8,14,24,465	6,40,89,351
VI. Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss	32	(5,42,653)	(51,384)
(ii) Income tax relating to items that will not be reclassified to profit or loss	32	1,36,000	13,360
Other Comprehensive Income for the year		(4,06,653)	(38,024)
VII. Total Comprehensive Income for the year (V + VI)		8,10,17,812	6,40,51,327
VIII. Basic and diluted Earnings per equity share of face value of Rs. 10/- each	35	19.00	14.95
Summary of Significant Accounting Policies	1 & 2		
Notes on Financial Statements	3-47		
The accompanying notes are an integral part of the financial statements			

As per our Report attached of even date
For S K AGRAWAL AND CO
Chartered Accountants
Firm Regn. No. 306033E

Hemant Kumar

Hemant Kumar Lakhota
(Partner)
Membership No. 068851
Kolkata, 13th day of July, 2020



For and on Behalf of the Board of Directors

Umesh Kumar Jhunjhunwala

Umesh Kumar Jhunjhunwala
Director
DIN:00448079

Vineet Agarwal
Director
DIN:00441223

MARK STEELS LIMITED

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

(a) Equity Share Capital

Particulars

Equity Shares of Rs. 10/- each issued, subscribed and fully paid up

As at 31st March 2019

As at 31st March 2020

Number of Shares

Amount (in Rs.)

42,85,714

4,28,57,140

Note: There is no change in the equity share capital

Amount in Rs.

(a) Other Equity

Particulars	Capital Reserve	Reserves and Surplus Securities Premium Reserve	Retained Earnings	Other Comprehensive Income	Total
Balance at 1st April 2018	2,50,00,000	12,21,42,830	22,91,88,253	(1,66,925)	37,61,64,158
Transfer/Adjustment during the year					
Profit / (Loss) for the year			6,40,89,351	(38,024)	6,40,89,351
Other Comprehensive Income for the year				(38,024)	(38,024)
Total Comprehensive Income for the year			6,40,89,351	(38,024)	6,40,51,327
Balance at 31st March 2019	2,50,00,000	12,21,42,830	29,32,77,604	(2,04,949)	44,02,15,486
Transfer/Adjustment during the year					
Profit / (Loss) for the year			8,14,24,465	(4,06,653)	8,14,24,465
Other Comprehensive Income for the year				(4,06,653)	(4,06,653)
Total Comprehensive Income for the year			8,14,24,465	(4,06,653)	8,10,17,812
Balance at 31st March 2020	2,50,00,000	12,21,42,830	37,47,02,069	(6,11,602)	52,12,33,297

Refer Note 16 for nature and purpose of reserves

Summary of Significant Accounting Policies 1 & 2

Notes on Financial Statements 3-47

The accompanying notes are an integral part of the financial statements

As per our Report attached of even date

For S K AGRAWAL AND CO

Chartered Accountants

Firm Regn. No. 306033E

Hemant Kumar

Hemant Kumar Lakhota

(Partner)

Membership No. 068851

Kolkata, 13th day of July, 2020

For and on Behalf of the Board of Directors

Vineet Agarwal

Umesh Kumar Jhunjhunwala

Director

DIN:00448079

Vineet Agarwal

Director

DIN:00441223



Summary of Significant Accounting Policies

1. Corporate Information

Mark Steels Limited ('MSL' or 'the Company') having domicile presence in the State of West Bengal, India, has been incorporated under the Companies Act in the year 2001. The Company is primarily engaged in the manufacture and sale of Sponge Iron & M.S.Ingots

2. Significant Accounting Policies

I. Basis of Preparation of financial statements

(a) Statement of compliance

These Financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act, as applicable.

The financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on July 13th, 2020.

(b) Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency.

(c) Basis of measurement

These financial statements are prepared under the historical cost convention on the accrual basis except for Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

(d) Use of estimates and judgments

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. 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. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. The changes in the estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

II. Current and non-current classification

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (i) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is expected to be realized within 12 months after the reporting date; or
- (iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date. Current assets include current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:



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-The residual value of assets has been considered as five percent of the original cost of the assets as per Schedule II of the Act.

- Depreciation is provided on pro-rata basis on additions and deletions of Property, Plant and Equipments during the year.

- In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

- Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

V. Intangible Assets

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes, where applicable, less accumulated amount of amortization and impairment losses. Such assets, are amortized over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

The Company currently does not have any intangible asset.

VI. Derecognition of Tangible and Intangible Assets

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

VII. Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

VIII. Financial Assets and Liabilities

Financial assets and financial liabilities (financial instruments) are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non- current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classifications of financial instruments are determined on initial recognition.



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(i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial Assets and Financial Liabilities measured at amortized cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognized directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which do not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

Impairment of financial assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

De-recognition of financial instruments

The Company de-recognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On de-recognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.



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Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

IX. Inventories

(i) Inventories are valued at lower of the cost or estimated net realizable value. Cost of inventories is ascertained on 'First-in-First-out' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

(ii) Cost in respect of raw materials and stores and spares includes expenses incidental to procurement of the same.

Cost in respect of finished goods and those under progress represents prime cost, and includes appropriate portion of overheads and excise duty.

X. Foreign Currency Transactions

Presentation Currency:

These financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the company.

Transactions and Balances:

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the profit and loss account.

XI. Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

XII. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognized for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

XIII. Employee Benefits

Short term Employee benefits are accrued in the year services are rendered by the employees.



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Provident & Family Pension Fund: In accordance with the provisions of the Employee Provident Funds and Miscellaneous Provisions Act, 1952, eligible employees of the company are entitled to receive benefits with respect to provident fund, a defined contribution plan, in which both the company and employee contribute monthly to Provident Fund Scheme by the Central Government/Trust at a determined rate. The company contributes to the Employees' Pension Scheme, 1995 for certain categories of employees. The Company's contribution is charged off to the Statement of Profit and Loss.

Gratuity: Post Employment and Retirement benefits in the form of Gratuity are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions of the defined benefit obligation are recognised in the period in which they occur, directly in other comprehensive income.

XIV. Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, and goods and service tax. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made.

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

Sale of Products

Revenue from sale of products is recognized when the Company transfers the control of goods to the customer as per the terms of contract. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). In case of domestic sales, the company believes that the control gets transferred to the customer on dispatch of the goods from the factory and in case of exports, revenue is recognised on passage of control as per the terms of contract / incoterms.

Variable consideration in the form of volume rebates is recognised at the time of sale made to the customers and are offset against the amounts payable by them.

Contract balances

Trade receivables

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

Refund Liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.



Dividend income is recognized in Statement of Profit and Loss on the date on which the Company's right to receive payment is established. Interest income is recognized using the effective interest method. All other income are recognized on accrual basis.

XV. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

XVI. Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

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

Company as a lessee

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

Right-of-use assets

The company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Leasehold Land is amortised over the period of lease ranging from 30 to 99 years.
- Building 3 to 15 years

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment

Lease liabilities

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the company and payments of penalties for terminating the lease, if the lease term reflects the company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.



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

The company's lease liabilities are included in Interest-bearing loans and borrowings

Short-term leases and leases of low-value assets

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

Company as a lessor

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

XVII. Income tax

Income tax expense comprises of current tax and deferred tax. Current tax and deferred tax is recognized in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

(i) Current tax

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

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

(ii) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (tax base). Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;



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- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

XVIII. Earnings Per Share

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

XIX. Non-current assets held for sale

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.

The Company classifies non-current assets as held for sale if their carrying amount will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

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

XX. Cash dividend and non-cash distribution to equity holders

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

XXI. Cash and cash equivalents

Cash and cash equivalents include cash and cash-on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

XXII. Statement of Cash flows

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



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XXIII. Recent Accounting pronouncements

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



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MARK STEELS LIMITED Notes to financial statements as at and for the year ended March 31, 2020 3. Property, Plant and Equipment									
a) As at March 31, 2020									
Particulars	Gross Carrying Value / Deemed Cost			Accumulated Depreciation / Amortisation			Net Block		
	As at 1st April 2019	Additions	Disposal/ Adjustments	As at 31st Mar 2020	As at 1st April 2019	Deductions/ Adjustments	Charge for the year	Up to 31st Mar 2020	As at 31st March 2019
Tangible Assets:									
a) Land	1,02,61,236	-	-	1,02,61,236	-	-	-	-	1,02,61,236
b) Factory Building	3,69,87,805	-	-	3,69,87,805	39,51,736	-	14,48,547	54,00,283	3,15,87,522
c) Plant & Equipment	13,57,90,902	34,15,482	-	13,92,06,384	3,29,75,548	-	1,11,00,916	4,40,76,464	3,30,36,069
d) Electrical Installation	1,31,87,236	-	-	1,31,87,236	79,89,794	-	22,28,836	1,02,18,630	10,28,15,354
e) Electric Generator	43,14,978	-	-	43,14,978	22,57,209	-	7,15,939	29,73,148	51,97,442
f) Computers	3,34,871	58,321	-	3,93,192	1,00,366	-	54,521	1,54,887	2,34,505
g) Office Equipment	4,23,048	1,01,226	-	5,24,274	1,88,142	-	57,647	2,45,789	2,34,906
h) Furniture & Fixtures	1,59,428	-	-	1,59,428	46,968	-	10,215	57,183	1,12,460
i) Vehicles	78,49,027	25,91,232	8,82,610	95,57,649	22,43,053	8,38,480	12,12,517	26,17,090	56,05,974
Capital Working Progress	20,93,08,531	61,66,261	8,82,610	21,45,92,182	4,97,52,816	8,38,480	1,68,29,138	6,57,43,474	15,95,55,713
	8,00,000	7,20,000	-	15,20,000	-	-	-	-	8,00,000
	21,01,08,531	68,86,261	8,82,610	21,61,12,182	4,97,52,816	8,38,480	1,68,29,138	6,57,43,474	16,03,55,713

b) As at March 31, 2019

MARK STEELS LIMITED Notes to financial statements as at and for the year ended March 31, 2020 3. Property, Plant and Equipment									
b) As at March 31, 2019									
Particulars	Gross Carrying Value / Deemed Cost			Accumulated Depreciation / Amortisation			Net Block		
	As at 1st April 2018	Additions	Disposal/ Adjustments	As at 31st Mar 2019	As at 1st April 2018	Deductions/ Adjustments	Charge for the year	Up to 31st Mar 2019	As at 31st March 2018
Tangible Assets:									
a) Land	1,02,61,236	-	-	1,02,61,236	-	-	-	-	1,02,61,236
b) Factory Building	2,77,82,454	92,05,351	-	3,69,87,805	26,06,966	-	13,44,770	39,51,736	3,30,36,069
c) Plant & Equipment	13,12,65,902	45,25,000	-	13,57,90,902	2,18,10,902	-	1,11,64,646	3,29,75,548	2,51,75,488
d) Electrical Installation	1,31,87,236	-	-	1,31,87,236	57,50,545	-	22,39,249	79,89,794	10,94,55,000
e) Electric Generator	43,14,978	-	-	43,14,978	15,04,806	-	7,52,403	22,57,209	74,36,691
f) Computers	2,28,641	1,06,230	-	3,34,871	59,625	-	40,741	1,00,366	28,10,172
g) Office Equipment	3,69,900	53,148	-	4,23,048	1,35,863	-	52,279	1,88,142	1,69,016
h) Furniture & Fixtures	1,57,306	2,122	-	1,59,428	29,768	-	17,200	46,968	2,34,037
i) Vehicles	91,86,484	13,37,457	13,37,457	78,49,027	25,29,766	12,70,583	9,84,870	22,43,053	66,57,718
Capital Working Progress	19,67,54,137	1,38,91,851	13,37,457	20,93,08,531	3,44,27,241	12,70,583	1,65,96,159	4,97,52,816	15,95,55,713
	-	8,00,000	-	8,00,000	-	-	-	-	8,00,000
	19,67,54,137	1,46,91,851	13,37,457	21,01,08,531	3,44,27,241	12,70,583	1,65,96,159	4,97,52,816	16,03,55,713
									16,23,26,894



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MARK STEELS LIMITED

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

(Amount in Rs.)

	As at March 31, 2020	As at March 31, 2019
4 Investments		
A. Non- Current		
(i) Unquoted Mutual Funds		
Birla Sun Life Equity Fund (31st March 2020 - 1583.979 units 31st March 2019 - 1583.979 units)	8,52,719	11,57,273
DSP Black Rock Equity Fund (31st March 2020- 70654.225units 31st March 2019 - 70654.225 units)	12,36,873	16,29,640
Kotak Emerging Equity Fund (31st March 2020 - 55448.728units 31st March 2019 - 55448.728 units)	16,37,789	21,57,122
HDFC Balanced Equity Oriented Fund (31st March 2020- Nil 31st March 2019 -72433.750 units)	-	39,43,583
HDFC Equity Fund (31st March 2020 -3676.470units and 31st March 2020 - NIL)	16,82,849	-
Total (i+ii)	54,10,230	88,87,618
Aggregate amount of Unquoted investments		
Investments carried at costs	-	-
Investments carried at fair value through profit or loss (FVTPL)	54,10,230	88,87,618
5 Others Financial Assets (Non-Current)	As at 31st March, 2020	As at 31st March, 2019
(Carried at amortized cost)		
Unsecured, Considered Good :		
Fixed Deposits with Banks with original maturity of More than 12 months	9,26,573	8,58,574
	9,26,573	8,58,574
6 Inventories	As at 31st March, 2020	As at 31st March, 2019
Valued at Lower of Cost or Net Realisable Value		
Raw Material	22,41,82,231	14,75,26,640
Raw Material in transit	5,99,46,180	3,40,74,865
Finished Goods	2,61,47,517	1,34,53,719
Stores & Spares	50,83,952	57,97,956
Total	31,53,59,880	20,08,53,180
7 Current Investments carried at fair value through profit or loss (FVTPL)	As at 31st March, 2020	As at 31st March, 2019
Unquoted Instruments		
Investments in Mutual Fund		
HDFC Low Duration Fund - (31st March 2020 - NIL and 31st March 2019 -424455.369units)	-	1,66,07,580
HDFC Liquid Fund - Direct Plan (31st March 2020- 10279.317 units and 31st march 2019 NIL)	4,01,57,294	-
HDFC Mid Cap Opportunities Fund (31ST March 2020 -22937.753 units and 31st march 2019 NIL)	8,95,008	-
HDFC Ultra Short Term Fund - DIR Plan GR (31st March 2020 71902.77 units and 31st march 2019 NIL)	8,09,517	-
HDFC Ultra Short Term Fund Post Nfo Coll A/c (31st March 2020 - 4820.556 units and 31st March 2019 NIL)	54,017	-
Total	4,19,15,836	1,66,07,580
Aggregate amount of Unquoted investments		
Investments carried at costs	-	-
Investments carried at fair value through profit or loss (FVTPL)	4,19,15,836	1,66,07,580
8 Trade receivables	As at 31st March, 2020	As at 31st March, 2019
(Carried at amortised cost)		
Unsecured, Considered Good :		
Trade Receivables	2,64,69,530	4,75,25,790
(Refer Note 8.1 and 8.2)		
Total	2,64,69,530	4,75,25,790



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MARK STEELS LIMITED**Notes to financial statements as at and for the year ended March 31, 2020**

(Amount in Rs.)

8.1 There are customers who represent more than 10% of the total balances of trade receivables as at the end of the reporting period

8.2 Trade Receivables are non- interest bearing and are generally on terms of 30 To 90 Days. The ageing of receivables are as follows:

Particulars	As at 31st March, 2020	As at 31st March, 2019
1 to 90 days past due	2,11,74,185	4,10,40,496
91 to 180 days past due	47,609	4,718
More than 180 days past due	52,47,736	64,80,576
	2,64,69,530	4,75,25,790

Credit quality of a customer is assessed based on an appraisal of customer background and individual credit limits are defined in accordance with this assessment and performance of the customer. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for all the customers. The Company has evaluated the concentration of risk with respect to trade receivables as low, as its customers are located in several geographical locations.

9 Cash and Cash Equivalents (As certified by the management)

Balances with Banks	As at 31st March, 2020	As at 31st March, 2019
In Current Accounts	9,55,285	2,56,01,428
In Cash Credit Accounts	2,05,12,793	-
Cash on Hand	10,84,201	17,19,695
Total	2,25,52,279	2,73,21,123

10 Bank balances other than cash and cash equivalents

	As at 31st March, 2020	As at 31st March, 2019
Other bank balances - Fixed Deposit with Bank (Pledged)	1,82,27,866	99,27,866
Total	1,82,27,866	99,27,866

11 Loans - Current

(Carried at amortized cost) (Unsecured, considered good)	As at 31st March, 2020	As at 31st March, 2019
Security deposits	5,49,120	5,49,120
Advances to suppliers and others	9,04,39,916	19,73,31,587
Loans Receivables		
from related party	11,93,25,031	11,03,83,932
from others	2,18,313	2,66,34,963
Total	21,05,32,380	33,48,99,602

12 Others Financial Assets (Current)

(Carried at amortized cost)	As at 31st March, 2020	As at 31st March, 2019
Interest accrued on fixed deposits	27,09,916	20,68,251
Total	27,09,916	20,68,251

13 Current Tax Assets (Net)

	As at 31st March, 2020	As at 31st March, 2019
Advance Income Tax (Net of Provision)	-	30,16,043
Total	-	30,16,043

14 Other Current Assets

(Unsecured, considered good unless otherwise stated)	As at 31st March, 2020	As at 31st March, 2019
Balances with government authorities		
Excise duty and GST	10,41,545	12,05,344
Sales tax incentive receivable from WBIDC	3,30,87,076	3,30,87,076
Prepaid Expenses	7,92,765	6,06,694
Others	1,44,387	68,885
Total	3,50,65,773	3,49,67,999



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MARK STEELS LIMITED

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

(Amount in Rs.)

15 Share Capital**a) Authorised:**

4,500,000 Equity Shares of Rs.10/- each

As at 31st March, 2020	As at 31st March, 2019
------------------------	------------------------

4,50,00,000	4,50,00,000
-------------	-------------

4,50,00,000	4,50,00,000
--------------------	--------------------

b) Issued, Subscribed and fully paid-up Shares:

4,285,714 Equity Shares of Rs. 10/- each fully paid up

4,28,57,140	4,28,57,140
-------------	-------------

4,28,57,140	4,28,57,140
--------------------	--------------------

c) Details of shareholders holding more than 5% shares along with number of shares held:

Name of Shareholders	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% holding	No. of shares	% holding
Manaksia Ferro Industries Limited	29,99,994	70%	29,99,994	70%
AGR Capital Markets Limited	12,85,713	30%	12,85,713	30%

d) Reconciliation of the shares outstanding is set out below:

	2019-20 No. of shares	2018-19 No. of shares
Equity Shares		
At the beginning of the period	42,85,714	42,85,714
Outstanding at the end of the period	42,85,714	42,85,714

e) The Company is a Subsidiary Company of Manaksia Ferro Industries Limited.**f) No Shares has been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment****g) Terms/rights attached to each class of shares****Equity Shares:**

The Company has only one class of equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

16 Other equity**A. Capital Reserve**

As at 31st March, 2020	As at 31st March, 2019
------------------------	------------------------

2,50,00,000	2,50,00,000
-------------	-------------

B. Securities Premium Reserve

12,21,42,830	12,21,42,830
--------------	--------------

C. Retained Earnings

37,47,02,069	29,32,77,605
--------------	--------------

D. Other Comprehensive Income

(6,11,602)	(2,04,949)
------------	------------

Total

52,12,33,297	44,02,15,486
---------------------	---------------------

Refer Statement of Changes in Equity for movement in balances of Reserves.

Capital Reserve represents the amount of capital investment subsidy. The project of the Company was approved as Mega Project under the West Bengal Incentive Scheme, 2000. The Company thus became eligible to the Mega Project status on reaching the threshold Investment level of Rs. 25 Crores stipulated in this regard. The package included 25% of the capital investments, subject to a cap of Rs.2.50 crores made as capital investment subsidy.

Securities Premium Reserve represents the amount received in excess of par value of securities. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.

Retained Earnings generally represent the undistributed profits/amount of accumulated earnings of the Company.

Other Comprehensive Income (OCI) represent the balance in equity relating to remeasurement gains/(losses) on defined benefit obligations. This will not be reclassified to Statement of Profit and Loss.



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MARK STEELS LIMITED

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

(Amount in Rs.)

	As at 31st March, 2020	As at 31st March, 2019
17 Borrowings		
<i>(Carried at amortised cost)</i>		
Secured		
Term Loans from Banks	30,49,926	22,49,604
Less: Current maturity of long term debts (refer note 22)	15,90,346	10,23,804
Total	14,59,580	12,25,800

(i) Repayment terms and nature of securities given for term loan as follows :

Name of the Bank / Instrument	Nature of security	Repayment terms	31-Mar-20	31-Mar-19
Secured				
ICICI Bank Limited	Exclusive hypothecation charge over the machinery/ equipments acquired under facilities out of the said loan.	Repayable in 47 equal Monthly installment of Rs.47,375 each commencing from April, 2018. Interest @ 9.26% p.a. is serviced on monthly basis as and when due.	9,49,622	13,84,088
ICICI Bank Limited	Exclusive hypothecation charge over the machinery/ equipments acquired under facilities out of the said loan.	Repayable in 36 equal Monthly installment of Rs.67,331 each commencing from July, 2019. Interest @ 9.5% p.a. is serviced on monthly basis as and when due.	16,30,966	-
ICICI Bank Limited	Exclusive Hypothecation charge over the vehicle acquired under facilities out of the said loan.	Repayable in 36 equal monthly instalment of Rs. 37,942 each commencing from May, 2017. Interest @ 8.60% p.a. is serviced on monthly basis as and when due.	4,69,338	8,65,516

18 Provisions

Provision for Employee Benefit - Gratuity (Refer Note No. 34)	77,66,182	60,80,195
Total	77,66,182	60,80,195

19 Deferred Tax Assets (net)

	As at 31st March, 2020	As at 31st March, 2019
a) Deferred Tax Assets		
Expenses allowable against taxable income in future years	4,24,000	2,72,000
Timing difference on fair valuation of unquoted Investment	5,06,484	-
	9,30,484	2,72,000
b) Deferred Tax Liabilities		
Timing difference in depreciable assets	(2,02,94,000)	(2,29,87,000)
Timing difference on fair valuation of unquoted Investment	-	(1,64,516)
Net Deferred Tax Asset / (Liability)	(1,93,63,516)	(2,28,79,516)

20 Borrowings

	As at 31st March, 2020	As at 31st March, 2019
<i>(Carried at amortised cost)</i>		
Secured		
Rupee denominated Cash Credit (Refer Note No. 20.1)	-	3,07,15,387
Unsecured		
From Body Corporates	1,26,14,575	3,13,78,257
	1,26,14,575	6,20,93,644

20.1 Short term bank facilities is secured by first charge on current assets, both present and future, and a second charge on fixed assets, both present and future, of the Company, personal guarantee of Director.



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MARK STEELS LIMITED
Notes to financial statements as at and for the year ended March 31, 2020

		(Amount in Rs.)	
		As at 31st March, 2020	As at 31st March, 2019
21 Trade Payables			
(Carried at amortised cost)			
MSMED [refer note (a) below]		-	-
Other trade payables		18,74,12,582	23,75,37,455
Total		18,74,12,582	23,75,37,455
		As at 31st March, 2020	As at 31st March, 2019
(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006			
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting		-	-
Principal amount due to micro and small enterprise		-	-
Interest due on above		-	-
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;		-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;		-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and		-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.		-	-
The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/suppliers.			
22 Other Financial liabilities		As at 31st March, 2020	As at 31st March, 2019
(Carried at amortised cost)			
Current maturities of long-term borrowings (Refer note 17)		15,90,346	10,23,804
Employee Benefits Payables		*31,34,458	20,92,987
Other Payables		1,49,781	1,19,401
Total		48,74,585	32,36,192
23 Other Current Liabilities		As at 31st March, 2020	As at 31st March, 2019
Advance from customers		49,61,639	1,77,89,917
Statutory dues*		1,36,98,279	1,33,73,994
Total		1,86,59,918	3,11,63,911
* Statutory dues includes liabilities toward Gst, Provident Fund, Tax Deducted at Source etc.			
24 Current Tax Liabilities		As at 31st March, 2020	As at 31st March, 2019
Provision for taxation (Net of advance tax)		1,32,97,594	-
Total		1,32,97,594	-
25 Revenue from Operations		For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Sale of products		1,37,82,68,063	1,61,04,93,038
Total		1,37,82,68,063	1,61,04,93,038
		For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Metal Products		1,37,82,68,063	1,61,04,93,038
Others		-	-
Total		1,37,82,68,063	1,61,04,93,038



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MARK STEELS LIMITED

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

		(Amount in Rs.)	
		For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
26 Other Income			
Income from Current Investment carried at FVTPL:			
Net Gain/(Loss) on Fair Valuation of Mutual Fund Units		(26,64,944)	(6,16,182)
Net Gain/(Loss) on Sale/Redemption of Mutual Fund Units		36,75,405	38,83,660
Interest Income on financial assets carried at amortised cost			
On Fixed deposit		10,43,976	8,19,026
On loan given to related party		99,34,554	91,90,152
On loan given to other entities		8,39,206	44,88,053
Profit on Sale of Property, plant and equipment (net)		55,870	43,297
Sundry Balance written off (Net)		23,85,677	-
Total		1,52,69,744	1,78,08,006
27 Cost of material consumed			
Inventory at the beginning of the year		18,16,01,505	18,59,07,714
Add: Purchases during the year		1,13,31,18,064	1,26,64,68,231
Less: Inventory at the end of the year		28,41,28,411	(18,16,01,505)
Cost of Raw Material Consumed		1,03,05,91,158	1,27,07,74,440
28 Changes in inventories of finished goods			
Closing Stock of Finished Goods		2,61,47,517	1,34,53,719
Less: Opening Stock of Finished Goods		1,34,53,719	1,47,39,935
(Increase) / Decrease		1,26,93,798	(12,86,216)
29 Employee benefits expense			
Salaries, Wages and Bonus		4,31,27,621	4,15,10,335
Contribution to Provident and other funds		14,92,377	16,69,952
Gratuity		11,43,334	9,93,421
Staff Welfare Expenses		4,43,285	3,59,380
Total		4,62,06,617	4,45,33,088
30 Finance costs			
Interest Expenses			
- to related party		-	7,16,712
- to other entities		19,46,523	25,36,868
- to bank		28,27,671	29,73,360
Total		47,74,194.00	62,26,940.00



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MARK STEELS LIMITED

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

(Amount in Rs.)

31 Other expenses

	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Stores & Consumables	3,72,30,275	3,45,39,660
Power & Fuel	9,57,15,608	9,75,85,480
Repairs		
- Repairs to buildings	6,15,567	12,53,957
- Repairs to machinery	20,01,607	44,71,372
- Repairs to others	3,98,165	3,24,569
Other Manufacturing Expenses	1,74,85,526	1,82,94,585
Rates & Taxes	17,96,667	9,39,992
Telephone & Telex	2,24,252	2,38,812
Postage & Courier	1,35,818	1,38,381
Travelling & Conv	5,65,418	10,17,063
Rent	3,54,200	8,22,200
Insurance	5,70,315	3,17,005
Bank Charges	15,37,866	11,72,563
Auditors' Remuneration		
- For Statutory Audit	50,000	50,000
- For Tax Audit	35,000	35,000
- For Other Services	37,500	-
Miscellaneous Expenses	49,04,722	88,83,207
Security Service Charges	27,86,030	28,94,624
Freight, Forwarding & Handling Expenses	2,59,88,807	2,29,90,218
Donation	3,63,306	2,59,704
Printing & Stationery	1,48,839	1,19,659
Professional & Consultancy charges	3,34,056	3,44,133
Investment written off	-	4,250
Bad debts	-	69,84,618
Foreign currency fluctuation loss (net)	45,74,589	23,77,112
Total	19,78,54,133	20,60,58,164

32 Other Comprehensive Income(A) Items that will not be reclassified to profit or loss
Remeasurements of the defined benefit plans**Total**

	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
	4,06,653	38,024
Total	* 4,06,653	38,024



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MARK STEELS LIMITED
Notes to financial statements as at and for the year ended March 31, 2020
33 Effective Tax Reconciliation

The reconciliation of Estimated Income Tax to Income Tax Expense is as below :

Particulars	March 31,2020	March 31,2019
A. Amount recognized in profit or loss		
Current Tax		
Current period	3,15,00,000	2,54,62,000
Changes in respect of current income tax of previous years	4,31,900	2,76,532
	3,19,31,900	2,57,38,532
Deferred Tax		
Attributable to -		
Origination and reversal of temporary differences	33,80,000	70,01,846
	33,80,000	70,01,846
Tax expenses reported in the Standalone Statement of Profit and Loss (a-b)	2,85,51,900	1,87,36,686
B. Income tax recognized in Other Comprehensive Income		
Deferred tax relating to items recognized in other comprehensive income during the year	1,36,000	13,360
Income tax expense charged to Other Comprehensive Income	1,36,000	13,360

C. Reconciliation of tax expense and the accounting profit for March 31, 2020 and March 31, 2019:

Particulars	March 31,2020	March 31,2019
Accounting profit before income tax	10,99,76,365	8,28,26,037
Statutory Income Tax rate *	25.168%	27.820%
Tax at the applicable India tax rate	2,76,78,852	2,30,42,203
Tax impact on amounts that are adjusted in determining taxable profit:		
Difference between depreciation as per IT Act and depreciation as per books	19,73,227	19,15,174
Income Exempt from Tax / Items not deductible	10,49,904	5,04,623
Other adjustments	12,29,917	2,76,532
	3,19,31,900	2,57,38,532

* The company has opted to apply concessional rate of taxation as per the provisions of Section 115BAA of the Income Tax Act, 1961 made effective for financial year 2019-20 pursuant to Taxation Laws(Amendment) Ordinance, 2019 dated September 2019. Accordingly, the provision for Income tax and Deferred tax balances have been recorded/ re-measured using the new tax rates and the resultant impact is recognized in the statement of Profit and loss for the year ended 31st March 2020.

D. Recognized deferred tax assets and liabilities:

	Balance as on April 1, 2019	(Charged) / credited to profit or loss	(Charged) / credited to OCI	Balance as on March 31, 2020
Property, plant and equipment	(2,29,87,000)	26,93,000	-	(2,02,94,000)
Unquoted Investment	(1,64,516)	6,71,000	-	5,06,484
Provision for Gratuity	2,72,000	16,000	1,36,000	4,24,000
Total	(2,28,79,516)	33,80,000	1,36,000	(1,93,63,516)
	Balance as on April 1, 2018	(Charged) / credited to profit or loss	(Charged) / credited to OCI	Balance as on March 31, 2019
Property, plant and equipment	(2,99,05,000)	69,18,000	-	(2,29,87,000)
Unquoted Investment	(3,24,724)	1,60,206	-	(1,64,516)
Provision for Gratuity	3,35,000	(76,360)	13,360	2,72,000
Total	(2,98,94,724)	70,01,846	13,360	(2,28,79,516)

E. Deferred tax reflected in the Balance Sheet as follows:

Particulars	March 31,2020	March 31,2019
Deferred tax assets	9,30,484	2,72,000
Deferred tax liabilities	(2,02,94,000)	(2,31,51,516)
Deferred tax assets / (liabilities) (net)	(1,93,63,516)	(2,28,79,516)



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MARK STEELS LIMITED

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

34 Employee benefit obligations / expenses**(1) Post Employment Defined Contribution Plan**

The Company contributes to the Provident Fund (PF) maintained by the Regional Provident Fund Commissioner. Under the PF scheme contributions are made by both the Company and its eligible employees to the Fund, based on the current salaries. An amount of Rs. 1,492,377 (31 March 2019 : Rs 1,669,952) has been charged to the Statement of Profit and Loss towards Company's contribution to the aforesaid PF scheme. Apart from making monthly contribution to the scheme, the Company has no other obligation.

(II) Post Employment Defined Benefit Plan-Gratuity (Unfunded)

Gratuity is paid to employees under the Payment of Gratuity Act, 1972 through unfunded scheme. The present value of obligation is determined based on actuarial valuation using projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

The following Table sets forth the particulars in respect of the aforesaid Gratuity fund of the Company.

	For the year ended March 31,2020	For the year ended March 31,2019
Balance sheet amount:		
Present value of defined benefit obligation at beginning of period	60,80,195	50,90,965
Current Service cost	6,87,319	6,01,417
Interest cost/Income	4,56,015	3,92,004
Total amount recognised in profit or loss	72,23,529	60,84,386
Remeasurements (gains)/losses		
- Change in Demographic assumptions	(3,725)	-
- Change in Financial assumptions	5,94,992	1,11,956
- Experience Variance (i.e Actual Experience vs assumptions)	(48,614)	(60,572)
Total amount recognised in Other Comprehensive Income	5,42,653	51,384
Benefits paid	-	(55,575)
Present value of defined benefit obligation at end of period	77,66,182	60,80,195

	As at March 31,2020	As at March 31,2019
Principal Actuarial Assumption Used:		
Discount Rates	6.60%	7.50%
Expected Salary increase rates	5.00%	5.00%
Attrition rate	2.00%	2.00%
Mortality	IALM(12-14) Ultimate	IALM(06-08) Ultimate

Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflow) is 11 Years

The expected maturity analysis of undiscounted gratuity benefit is as follows:

	1 Year	2 to 5 Year	6 to 10 Year	> 10 Year	Total
As at 31 March 2020					
Defined benefit obligation	8,42,354	21,59,313	32,39,573	98,46,436	1,60,87,676
As at 31 March 2019					
Defined benefit obligation	5,79,532	17,56,957	29,06,746	92,76,966	1,45,20,201

Sensitivity Analysis

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

	As at March 31, 2020		As at March 31, 2019	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%)	85,27,855	71,09,744	66,93,626	55,52,111
Salary Growth Rate (-/+1%)	70,79,108	85,51,214	55,23,376	67,17,951
Attrition Rate (-/+50%)	76,72,323	78,50,186	59,50,083	61,96,677
Mortality Rate (-/+10%)	77,51,407	77,80,682	60,59,110	61,00,863
	3,10,30,693	3,12,91,826		

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Risk Exposure:

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above gratuity benefit, the most significant of which are as follows:

Interest Rate risk:

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk:

This is the risk that the company is not able to meet the short term gratuity pay-outs. This may arise due to non availability of enough cash/cash equivalents to meet the liabilities.

Salary Escalation Risk:

The present value of the defined benefit plans is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk:

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972(as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000). An upward revision of maximum gratuity limit will result in gratuity plan obligation.



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MARK STEELS LIMITED

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

35 Earnings / (loss) per equity share

	For the year ended March 31, 2020	For the year ended March 31, 2019
(I) Basic		
a. Profit after tax	8,14,24,465	6,40,89,351
b. (i) Number of Equity Shares at the beginning of the year	42,85,714	42,85,714
(ii) Number of Equity Shares at the end of the year	42,85,714	42,85,714
(iii) Weighted average number of Equity Shares outstanding during the year	42,85,714	42,85,714
(iv) Face Value of each Equity Share (Rs.)	10	10
c. Basic Earning per Share [a / (b)(iii)] (Rs.)	19.00	14.95
(II) Diluted		
a. Dilutive potential Equity Shares		
b. Weighted Average number of Equity Shares for computing Dilutive earning per Share	42,85,714	42,85,714
c. Diluted Earning / (Loss) per Share [same as (i)(c) above] (Rs.)	19.00	14.95

36 Contingent liabilities and Commitments

	As at 31st March, 2020	As at 31st March, 2019
	Amount in Rs.	Amount in Rs.
A. Contingent liabilities		
(a) Claims against the Company not acknowledged as debts :		
(b) Other money for which the Company is contingently liable		
(i) Entry tax demand under appeal / contest	3,37,70,375	2,72,75,764
(ii) Central excise demand under appeal	33,78,266	1,36,63,282
(iii) Income tax under rectification	46,51,880	46,51,880
(iv) ESI Demand under appeal	3,02,007	3,02,007
(v) Sales tax demand under appeal	-	25,42,559
(c) Guarantees		
(i) Counter guarantee given in favour of Company's Bankers for Bank Guarantee issued	3,47,30,000	1,87,99,200
B. Commitments		
(a) Capital Commitments		
Estimated amount of Contracts remaining to be executed on Capital Account and not provided for	39,318	39,318

37 Segment information

The board of directors of the Company has been identified as Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

The Company has only one business segment, viz manufacture and sale of steel, hence segment information have not been presented separately.



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38 Financial Instruments disclosure

(A) CATEGORIES OF FINANCIAL INSTRUMENTS

Particulars	Ref Note No.	As at 31st March, 2020	As at 31st March, 2019
Financial Assets			
Measured at Amortised Cost			
Other financial assets	5	9,26,573	8,58,574
Trade receivables	8	2,64,69,530	4,75,25,790
Cash and Cash Equivalents	9	2,25,52,279	2,73,21,123
Bank balance other than above	10	1,82,27,866	99,27,866
Current Loans	11	21,05,32,380	33,48,99,602
Total financial assets measured at amortised cost		27,87,08,628	42,05,32,955
Measured at Fair Value through Profit or Loss			
Current Investments	7	4,19,15,836	1,66,07,580
Non Current Investments	4	54,10,230	88,87,618
Total Financial Assets measured at Fair Value through Profit or Loss		4,73,26,066	2,54,95,198
Financial Liabilities			
Measured at Amortised Cost			
Non Current borrowings	17	14,59,580	12,25,800
Current borrowings	20	1,26,14,575	6,20,93,644
Trade Payables	21	18,74,12,582	23,75,37,455
Other financial liabilities	22	48,74,585	32,36,192
Total financial liabilities measured at amortised cost		20,63,61,322	30,40,93,091
Measured at Fair Value through Profit or Loss			
Total financial liabilities measured at Fair Value through Profit or Loss			

(B) Fair Values

Class wise fair value of the Company's financial instruments:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Investments (unquoted) in mutual funds	47326066	2,54,95,198

(C) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities. The different levels have been defined below:

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

Particulars	Date of valuation	Quoted prices/NAV (Level 1)	Fair value measurement using	
			Significant observable inputs (Level 2)	Significant observable inputs (Level 3)
Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March 2020:				
A. Financial assets:				
Assets measured at fair value:				
Investments (unquoted) in mutual funds	31st March 2020	4,73,26,066	-	-
B. Financial liabilities:				
Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March 2019:				
A. Financial assets:				
Assets measured at fair value:				
Investments (unquoted) in mutual funds	31st March 2019	2,54,95,198	-	-
B. Financial liabilities:				



for
S. K. Agrawal

MARK STEELS LIMITED**Notes to financial statements as at and for the year ended March 31, 2020****Fair Value Technique**

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

(a) The fair value of cash and cash equivalents, trade receivables, trade payables, current financial liabilities and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The board considers that the carrying amounts of financial assets and financial liabilities recognised at cost/amortised costs in the financial statements approximates their fair values.

(b) Investments in liquid and short-term mutual funds are measured using NAV at the reporting date multiplied by the quantity held.

(c) Fair Value for valuation of unquoted equity instruments is arrived based on management estimate.

(d) During the year ended 31st March 2020 and 31st March 2019, there were no transfer between different levels of fair value measurement.

39 Particulars of unhedged foreign currency exposure as at the balance sheet date

Particulars		As at 31st March, 2020	As at 31st March, 2019
Amount payables in Foreign currency on account of	US\$	9,38,207	4,14,841
Trade payables	INR	6,69,05,505	2,86,86,000

40 Disclosures Section 186 of the Companies Act, 2013.

Particulars	As at March 31, 2020	As at March 31, 2019
a) Loans and advances in the nature of loan to others		
i) Loan to Dhanashree Electronics Limited		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	-	50,00,000
It carries rate of interest of 13%.		
ii) Loan to Eastern Track Udyog Private Limited		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	-	1,00,00,000
It carries rate of interest of 15%.		
iii) Loan to Ladhuram Toshniwal & Sons		
Balance at the year end	-	50,00,000
Maximum amount outstanding at any time during the year	50,00,000	51,95,000
It carries rate of interest of 13%.		
iv) Loan to Life Make Construction Private Limited		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	-	25,68,424
It carries rate of interest of 15%.		
v) Loan to Victory Iron Works Limited		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	-	1,00,00,000
It carries rate of interest of 13.50%.		
vi) Loan to Riddhi Portfolio Private Limited		
Balance at the year end	-	12,946
Maximum amount outstanding at any time during the year	12,946	51,66,438
It carries rate of interest of 15%.		
vii) Loan to Toshniwal Enterprises Controls Private Limited		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	-	25,00,000
It carries rate of interest of 15%.		
viii) Loan to Vedic Realty Private Limited		
Balance at the year end	1,28,954	15,32,658
Maximum amount outstanding at any time during the year	16,62,955	15,32,658
It carries rate of interest of 15%.		
ix) Loan to SSS Tiles Square India Private Limited		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	-	25,00,000
It carries rate of interest of 14%.		



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MARK STEELS LIMITED

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

40 Disclosures Section 186 of the Companies Act, 2013. (Contd.)

x) Loan to Vikram India Limited		
Balance at the year end	-	50,00,000
Maximum amount outstanding at any time during the year	50,00,000	50,00,000
It carries rate of interest of 15%.		
xi) Loan to Utkarsh India Limited		
Balance at the year end	-	1,00,00,000
Maximum amount outstanding at any time during the year	1,00,00,000	1,00,00,000
It carries rate of interest of 13%.		
xii) Loan to Nagreeka Capital & Infrastructure Limited		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	-	50,00,000
It carries rate of interest of 13%.		
xiii) Loan to Premco Rail Engineers Limited		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	-	20,00,000
It carries rate of interest of 14%.		
xiv) Loan to Smart Works Co Working Spaces Private Limited		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	50,00,000	51,55,343
It carries rate of interest of 14%.		
xv) Loan to Vajra Mechineries Private Limited		
Balance at the year end	11,93,25,031	11,03,83,932
Maximum amount outstanding at any time during the year	11,93,25,031	11,03,83,932
It carries rate of interest of 9%.		

41 Financial Risk Management objectives and policies

The Company's principal financial liabilities comprise borrowings in domestic currency, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents, investments at cost/fair value and deposits, that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A Market risk

Market risk means that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The goal of market risk management is optimization of profit and controlling the exposure to market risk within acceptable limits. Market risk comprises two types of risk: 'Foreign currency risk', 'Interest rate risk', and 'Price risk on traded goods'.

(a) Foreign currency risk

The company undertakes transactions denominated primarily in USD and consequently exposed to exchange rate fluctuations. Exchange Rate exposures are managed within approved policy parameters.

The Company has exposure to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign exchange rates. The exposure to currency risk as on 31 March 2020 and 31 March 2019 are as follows:

Particulars	As at 31st March, 2020	As at 31st March, 2019
	USD	USD
Financial Assets:		
Financial Liabilities:		
Trade payables	9,38,207	4,14,841
Net Forex exposure	(9,38,207)	(4,14,841)

Foreign currency sensitivity

The company is principally exposed to foreign currency risks against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables and payables.

As per management assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:



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MARK STEELS LIMITED

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

Particulars	Changes in USD rate	Foreign currency	Effect on profit/ (loss)
	%	Payable (net)(INR)	before tax
As at 31st March 2020			
Weakening of INR	5%	7,34,72,276	(34,98,680)
Strengthening of INR	-5%	6,64,74,916	34,98,680
As at 31st March 2019			
Weakening of INR	5%	2,97,63,159	(14,17,293)
Strengthening of INR	-5%	2,69,28,573	14,17,293

(b) Interest rate risk

Interest rate risk is measure by using the cash flow sensitivity for changes in variable interest rates. The Company does not have any interest bearing liabilities having floating rate of interest. Hence, the Company does not have any material exposure to Interest rate risk.

B Credit risks

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises

principally from the Company's receivables from customers and others. In addition, credit risk arises from financial guarantees.

The Company implements a credit risk management policy under which the Company only transacts business with counterparties that have a certain level of credit worthiness based on internal assessment of the parties, financial condition, historical experience, and other factors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component that are expected to occur. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets. Debt securities are analyzed individually, and an expected loss shall be directly deducted from debt securities.

(i) Credit risk exposure

The ageing of trade accounts and notes receivable as on 31 March 2020 and 31 March 2019 as follows:

Particulars	As at 31st March, 2020	As at 31st March, 2019
1 to 90 days past due	2,11,74,185	4,10,40,496
91 to 180 days past due	47,609	4,718
More than 180 days past due	52,47,736	64,80,576

No significant changes in estimation techniques or assumptions were made during the reporting period.



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MARK STEELS LIMITED

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

C Liquidity Risk

The Company's objective is to at all times maintain optimum level of liquidity to meet its cash and collateral requirement at all times. The need of the funds of the company are being met by internal accrual and borrowings. The short and medium term requirements are met through the committed lines of credit.

The table provides undiscounted cash flow towards non-derivative financial liability and net settled derivative financial liabilities into relevant maturities based on the remaining period at balance sheet date to contractual maturity date.

Particulars	0 - 180 days	181 - 365 days	Payable in more than 1 year	Total
As at 31st March 2020				
Non Current borrowings	-	-	14,59,580	14,59,580
Current borrowings	1,26,14,575	-	-	1,26,14,575
Trade Payables	18,74,12,582	-	-	18,74,12,582
Other financial liabilities	15,90,346	-	-	15,90,346
	20,16,17,503	-	14,59,580	20,30,77,083
As at 31st March 2019				
Non Current borrowings	-	-	12,25,800	12,25,800
Current borrowings	6,20,93,644	-	-	6,20,93,644
Trade Payables	23,75,37,455	-	-	23,75,37,455
Other financial liabilities	10,23,804	-	-	10,23,804
	30,06,54,903	-	12,25,800	30,18,80,703

42 CAPITAL MANAGEMENT**A. Risk management**

The fundamental goal of capital management are to: - safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and - maintain an optimal capital structure to reduce the cost of capital.

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

For the purpose of company's capital management, capital includes issued capital and all other equity reserves. The company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Company manages its capital on the basis of net debt to equity ratio which is net debt divided by total equity. Net debt are long-term and short-term debts as reduced by cash and cash equivalents. The Company is not subject to any externally imposed capital requirements.

The following table summarises the capital of the Company:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Total borrowings	1,56,64,501	6,43,43,248
Less: Cash and cash equivalents	(2,25,52,279)	(2,73,21,123)
Less: Current Investments	(4,19,15,836)	(1,66,07,580)
Less: Non Current Investments	(54,10,230)	(88,87,618)
Net Debt	(5,42,13,844)	1,15,26,927
Equity	56,40,90,437	48,30,72,626
Total Capital (Equity + Net Debt)	50,98,76,593	49,45,99,553
Net Debt to Equity ratio	-9.61%	2.39%



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MARK STEELS LIMITED

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

43 Related Party Disclosure pursuant to Ind AS 24
(a) Related Parties
(i) Where Control Exist

 Holding Company
 Ultimate Holding Company

Name of the Related Parties

 Manaksia Ferro Industries Ltd.
 Manaksia Ltd.

(i) Others

Enterprise having significant influence

AGR Capital Markets Ltd.

Fellow Subsidiary

 Manaksia Overseas Ltd.
 MINL Ltd.
 Dynatech Industries Ghana Ltd.
 Jebba Paper Mills Ltd.

Key Managerial Personnel

 Umesh Kumar Jhunjhunwala
 Ashish Jhunjhunwala

Other directors

 Vineet Agarwal
 Smita Khaitan
 Kali Kumar Choudhury

Relatives of Key Managerial Personnel

 Rohit Jhunjhunwala
 Nilesh Jhunjhunwala
 Sajjan Jhunjhunwala

 Entities over which KMP of ultimate holding co.
 and their relatives have significant influence

 Manaksia Steels Ltd.
 Vajra Machineries Pvt.Ltd.

 Entities where Key management personnel and their
 relative have significant influence with whom
 transaction have taken place

Industrify Technologies Pvt.Ltd.

(b) Details of Transactions with Related Parties
Nature of Transactions
Name of related parties
31 March 2020
31 March 2019

Purchase

 Industrify Technologies Pvt.Ltd.
 Manaksia Steels Ltd.

45,67,282

 65,02,653
 12,24,380

Sitting Fees

 Vineet Agarwal
 Smita Khaitan
 Kali Kumar Choudhury

 4,500
 9,000
 9,000

 7,000
 9,000
 9,000

Remuneration

 Umesh Kumar Jhunjhunwala
 Ashish Jhunjhunwala
 Rohit Jhunjhunwala
 Nilesh Jhunjhunwala
 Sajjan Jhunjhunwala

 60,00,000
 42,00,000
 30,00,000
 27,60,000
 15,00,000

 60,00,000
 42,00,000
 30,00,000
 27,60,000
 15,00,000

Reimbursement of expenses

Manaksia Ltd.

-

8,850

Interest income

Vajra Machineries Pvt.Ltd.

99,34,554

91,90,152

Interest Expenses

Manaksia Steels Ltd.

-

7,16,712

Loan taken

Manaksia Steels Ltd.

-

2,00,00,000

Loan repayment

Manaksia Steels Ltd.

-

2,00,00,000

(c) Details of balances with Related Parties
Key Managerial Personnel
 As at 31st March, 2020 As at 31st March, 2019

Relatives of Key Managerial Personnel
 As at 31st March, 2020 As at 31st March, 2019

 Receivable
 Payable

 NIL
 NIL

 NIL
 NIL

As at 31st March, 2020 As at 31st March, 2019

Name of related parties

 Interest Payable
 Loans Given
 Trade Payable

 Manaksia Steels Ltd.
 Vajra Machineries Pvt.Ltd.
 Industrify Technologies Pvt.Ltd.

 6,45,041
 11,93,25,031
 36,329

 6,45,041
 11,03,83,932
 74,691


MARK STEELS LIMITED**Notes to financial statements as at and for the year ended March 31, 2020**

- 44 Balances of some parties (including of Trade receivables and Trade payables) and loans and advances are subject to reconciliation/ confirmations from the respective parties. The management does not expect any material differences affecting the financial statement for the year.
- 45 **Impact of COVID-19 (Global pandemic)**
The COVID-19 pandemic has rapidly spread across the world as well as in India and has caused shutdown of the plant and all offices from March 24, 2020. The Company has resumed operations in a phased manner in line with the directives of the Government of India. The Company's management has made initial assessment of likely adverse impact on business, and believes that the impact is likely to be from short to medium term in nature. The management does not see long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The Management has also evaluated the recoverability of receivables and realisability of inventory on hand based on subsequent realisations and customer orders respectively. However, given the uncertainties associated with the eventual outcome, nature and duration of the pandemic, the impact may be different from that estimated as on the date of approval of these financial statements.
- 46 These financial statements have been approved by the Board of Directors of the Company on 13 th July , 2020 for issue to the shareholders for their adoption.
- 47 The previous year figures are reclassified where considered necessary to confirm to this year's classification.

As per our Report attached of even date

For S K AGRAWAL AND CO

Chartered Accountants

Firm Regn. No. 306033E



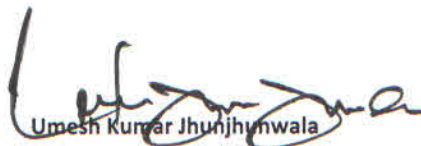
Hemant Kumar Lakhotia
(Partner)

Membership No. 068851

Kolkata, 13 th day of July, 2020



For and on Behalf of the Board of Directors



Umesh Kumar Jhunjhunwala
Director

DIN:00448079



Vineet Agarwal
Director

DIN:00441223

MARK STEELS LIMITED
Cash Flow Statement for the year ended March 31, 2020

	Year ended March 31, 2020 Amount in Rs.	Year ended March 31, 2019 Amount in Rs.
A. Cash Flow from Operating Activities		
Profit / (Loss) before tax for the period	10,99,76,365	8,28,26,037
Adjustments for :		
Depreciation and Amortization Expense	1,68,29,138	1,65,96,159
Finance Costs	47,74,194	62,26,940
Interest Income	(1,18,17,736)	(1,44,97,231)
Allowance for Doubtful Debts	-	-
Net Gain on Fair Valuation of Mutual Fund Units	26,64,944	6,16,182
Net Gain on Sale/Redemption of Mutual Fund Units	(36,75,405)	(38,83,660)
Balances written-off/ written back	(23,85,677)	4,250
(Gain)/Loss on sale of Property, Plant and Equipment	(55,870)	(43,297)
Bad Debt	-	69,84,618
Income on exchange difference	45,74,589	23,77,112
Operating Profit/ (Loss) before changes in operating assets and liabilities	12,08,84,542	9,72,07,110
Adjustments for changes in operating assets and liabilities:		
(Increase) in trade and other receivables	12,78,50,158	(7,46,04,451)
(Increase) / Decrease in Inventories	(11,45,06,700)	44,42,899
Increase/(Decrease) in trade and other payables	(6,49,88,270)	(30,42,965)
Cash (used In) Operations	6,92,39,730	2,40,02,593
(v) Other Financial Assets		
Direct Taxes (paid)/ refund	(1,56,18,263)	(3,67,19,790)
Net Cash (used in) Operating Activities	5,36,21,467	(1,27,17,197)
B. Cash Flow from Investing Activities		
Purchase of property, plant and equipment and Capital Advance	(68,86,261)	(1,46,91,851)
Sale of property, plant and equipment	1,00,000	1,10,171
Interest Income	1,11,76,071	1,39,06,856
Loans (Given)/ Repaid	1,74,75,551	91,27,890
Decrease/(Increase) in term deposit	(83,67,999)	1,71,000
Sale / (Purchase) of investments in mutual fund	(1,84,34,730)	53,83,931
Net Cash used from / (used in) Investing Activities	(49,37,368)	1,40,07,997
C. Cash Flow from Financing Activities		
Proceeds/(Repayment) of non-current borrowings (net)	8,00,322	4,66,604
Proceeds/(Repayment) from current borrowings (net)	(4,94,79,069)	2,61,97,716
Finance Costs	(47,74,194)	(62,26,940)
Net Cash used from / (used in) Financing Activities	(5,34,52,941)	2,04,37,380
Net increase / (decrease) in cash and cash equivalent (A + B + C)	(47,68,845)	2,17,28,177
D. Cash and cash equivalents		
Net increase / (decrease) in cash and cash equivalent	(47,68,845)	2,17,28,177
Cash and cash equivalents at the beginning of the year	2,73,21,123	55,92,945
Cash and cash equivalents at the end of the year	2,25,52,279	2,73,21,123
(a) Cash and cash equivalents consist of cash on hand and balance with banks and deposits with banks.		
In Current Accounts	9,55,285	2,56,01,428
In Cash Credit Accounts	2,05,12,793	-
Cash on Hand	10,84,201	17,19,695
Cash and cash equivalents as at 31 March	2,25,52,279	2,73,21,123

Changes in liabilities arising from financing activities

	01-Apr-2019	Cash Flows	31-Mar-2020
Non-current borrowings (including Current Maturities) (Note 17)	22,49,604.00	8,00,322	30,49,926
Short Term borrowings (Note 20)	6,20,93,644.00	(4,94,79,069)	1,26,14,575
Total liabilities from financing activities	6,43,43,248.00	(4,86,78,747.00)	1,56,64,501.00

Changes in liabilities arising from financing activities

	01-Apr-2018	Cash Flows	31-Mar-2019
Non-current borrowings (including Current Maturities) (Note 17)	17,83,000.00	4,66,604	22,49,604
Short Term borrowings (Note 20)	3,58,95,928.00	2,61,97,716	6,20,93,644
Total liabilities from financing activities	3,76,78,928.00	2,66,64,320.00	6,43,43,248.00

(a) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard on 'Statement of Cash Flows (Ind AS-7)' issued by The Institute of Chartered Accountants of India.

The accompanying Notes form an integral part of these Financial Statements.

As per our Report attached of even date
For S K AGRAWAL AND CO
Chartered Accountants
Firm Regn. No. 306033E

Hemant Kumar Lakhotia
(Partner)
Membership No. 068851
Kolkata, 13th day of July, 2020



For and on Behalf of the Board of Directors

Umesh Kumar Jhunjhunwala
Director
DIN:00448079

Vineet Agarwal
Director
DIN:00441223