

August 17, 2020

To,
BSE Ltd.
(Scrip Code-500365)
Listing Department,
P. J. Towers, Dalal Street,
Mumbai - 400 001

Dear Sir / Madam,

Sub.: Compliance of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly find attached Annual Report of the Company for the financial year ended March 31, 2020 together with the notice of the 38th Annual General Meeting of the Company scheduled on Friday, September 11, 2020 through Video Conferencing (VC)/ Other Audio Visual Means (OAVM).

Please take the same on record.

Thanking you.

Yours Faithfully,

For Welspun Specialty Solutions Limited
(Erstwhile RMG Alloy Steel Limited)


Rashmi Mamtura
Company Secretary
F-8658



Encl: As above

Welspun Specialty Solutions Limited

(Erstwhile RMG Alloy Steel Limited)

C/8, BKT House, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013, India

T : +91 22 6613 6000 / 2490 8000 F : +91 22 2490 8020

E-mail : companysecretary_wssl@welspun.com Website : www.welspunspecialty.com

Registered Address & Works : Plot No. 1, GIDC Industrial Estate, Valia Road, Dist. Jhagadia, Bharuch, Gujarat - 393110, India

T : +91 70690 05579

Corporate Identification No. : L27100GJ1980PLC020358



WELSPUN SPECIALTY SOLUTIONS
Alloy & Stainless | Bars & Tubes

WELSPUN SPECIALTY SOLUTIONS LIMITED

(ERSTWHILE RMG ALLOY STEEL LIMITED)



38TH ANNUAL REPORT
2019-20



WELSPUN SPECIALTY SOLUTIONS

Alloy & Stainless | Bars & Tubes

(ERSTWHILE RMG ALLOY STEEL LIMITED)

CIN:L27100GJ1980PLC020358

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Balkrishan Goenka	-	Chairman
Mr. Atul Desai	-	Independent Director
Mr. Myneni Narayana Rao	-	Independent Director
Ms. Amita Karia	-	Independent Director
Mr. Prakash Tatia	-	Director
Mr. Anuj Burakia	-	Whole Time Director

KEY MANAGERIAL PERSONNEL

Mr. Anuj Burakia	-	Whole Time Director
Mr. Narendra Kumar Bhandari	-	Chief Financial Officer
Ms. Rashmi Mamtura	-	Company Secretary

AUDITORS

Pathak H.D. & Associates LLP., Nariman Point, Mumbai – 400 021

BANKERS

Corporation Bank
Yes Bank Ltd

REGISTERED OFFICE AND FACTORY

Plot No. 1, G.I.D.C Industrial Estate, Valia Road, Jhagadia,
Dist. Bharuch, Gujarat-393110

CORPORATE OFFICE

C/8, BKT House, Trade World, Kamala City, S.B.Marg, Lower Parel
Mumbai – 400013, Tel: 022-66136000/24908000, Fax: 022-24908020
E-mail: companysecretary_wssl@welspun.com
Website: www.welspunspecialty.com

LISTING OF SHARES

BSE LTD, MUMBAI
Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai - 400 001

R&T AGENT

Bigshare Services Pvt. Ltd.
(Unit: Welspun Specialty Solutions Limited)
Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis,
Next to Keys Hotel, Marol Maroshi Road, Andheri (East)
Mumbai – 400059
Email: vinod.y@bigshareonline.com
Tel: 91-22-6263 8200
Fax: 91-22-6263 8261

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WELSPUN SPECIALTY SOLUTIONS LIMITED

(Erstwhile RMG Alloy Steel Limited)

CIN : L27100GJ1980PLC020358

Registered Office : Plot No 1, G I D C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat-393110.

Corporate Office : C/8, BKT House, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013.

Email : companysecretary_wssl@welspun.com Website: www.welspunspecialty.com

Tel: +91 -22-66136000 Fax: +91-22-2490 8020

NOTICE

To,
The Members,

NOTICE is hereby given that 38th Annual General Meeting of **Welspun Specialty Solutions Limited** (Erstwhile RMG Alloy Steel Limited) will be held via Video Conference or Other Audio-Visual Means on Friday, September 11, 2020, at 11.30 am to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2020 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Anuj Burakia (DIN: 02840211) who retires by rotation, and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution.

“RESOLVED THAT subject to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of the Board, the appointment of M/s. Pathak H.D. & Associates LLP, Chartered Accountants (having Firm Registration Number 107783W), as the statutory auditors of the Company to hold office from the conclusion of the 38th Annual General Meeting until the conclusion of the 39th Annual General Meeting be and is hereby ratified by the members of the Company at a fee of Rs.9,50,000 (subject to deduction of tax at source at such rate as may be applicable) and out of pocket expenses.”

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force), the total remuneration of Rs.35,000/- approved by the Board of Directors of the Company to M/s. Kiran J. Mehta & Co. the Cost Auditors (Firm Registration No. 000025), appointed as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021 and the other duties in accordance with the applicable legal provisions, be and is hereby ratified”

5. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (“the Act”) and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any amendment, modification, variation or re-enactment to any of the foregoing), and subject to such other approvals,

consents, permissions and sanctions of other authorities as may be necessary, and also pursuant to the recommendation by the Audit Committee and the Board of Directors, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board), to ratify/approve the transactions (including any modifications, alterations or amendments thereto) entered into/ to be entered into by the Company in the ordinary course of business and on arm’s length basis with related Party/ies within the meaning of the Act and Listing Regulations, as per below framework:

Sr. No.	Particulars	Framework for terms of contract
1.	Name of the Related Party	Welspun Corp Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat – 370110 (“WCL”)
2.	Name of the Director or Key Managerial Personnel who is/may be related	Mr. Balkrishan Goenka – Chairman (Non-Executive)
3.	Nature of Relationship	WCL is a company under same management.
4.	Nature and particulars of the contract / arrangement	Sale of finished goods
5.	Material terms of the contract / arrangement	In line with prevailing market terms with prevalent trading margin
6.	Monetary value of the contract / arrangement	Such amount as may be negotiated and agreed between the Company and WCL. Provided however that the contract amount shall not exceed : Rs.75 Crore during FY 2020-21; and Rs.100 Crore p.a. during FY 2021-22 and thereafter.
7.	Duration of the transaction	One year, renewable for one year at a time.
8.	The indicative base price or current contracted price and the formula for variation in the price, if any	Prices shall be based on arm’s length having reference to market price prevailing at the time of issuance of purchase order and shall remain static for the quantity and delivery period mentioned for that purchase order.
9.	Any other information relevant or important for the members to take a decision on the proposed resolution	None

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents and writings, on an ongoing basis, as may be necessary, proper or expedient for the purpose of giving effect to the above resolution.”

6. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Section 42, 48, 55, 62 and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), the policies, rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India or any other competent authority, from time to time, to the extent applicable, and subject to approval of any statutory/regulatory or other appropriate authorities and subject to such condition(s) as may be prescribed by one or more of them while granting any such approval(s), consent(s), permission(s) and/ or sanction(s), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “Board”, which term shall be deemed to include any Committee which the Board has constituted or may constitute to exercise its powers including the powers conferred under this resolution or any person duly authorised by the Board in this behalf) and

enabling provisions in the Memorandum of Association and Articles of Association of the Company, the consent, approval and sanction of the Company be and is hereby accorded to the Board of Directors to alter the terms of 5,09,04,271 12% Cumulative Redeemable Preference Shares of Rs.10/- each ("CRPS") by way of extension of tenor of CRPS from existing redemption in "three equal installments from eight year onwards from the date of allotment" to make it redeemable on "19.02.2033 or any date before that based on the availability of cash flow" with other terms remaining unchanged.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts deeds and things as may be necessary in this regard including but not limited to the delegation of powers to any director or committee of directors or any others person as it may deem fit subject to the provision of the Companies Act, 2013."

Place: Mumbai
Date: August 1, 2020

By Order of the Board

Sd/-
Rashmi Mamtura
Company Secretary
FCS- 8658

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 AND THE INFORMATION AS REQUIRED PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015

RESOLUTION NO. 2

Disclosures pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Mr. Anuj Burakia, aged about 41 years is a qualified Chartered Accountant and has more than 18 years' experience in steel business of the group. Before assuming responsibility of heading the steel business in 2007, Mr. Burakia during his career remained involved with multiple functions and roles including Enterprise Resource Planning (ERP), operations, projects, commercial etc. He possesses strong business acumen and managerial capabilities and could therefore exercise effective controls over end to end aspects of the business including strategy, manufacturing, supply chain, marketing and finance.

Mr. Burakia does not hold directorship in any listed entity other than the Company. He is also a member of Audit Committee and Stakeholders' Relationship Committee of the Company.

Except Mr. Burakia, being the appointee herein, none of the other directors or key managerial personnel of the Company or their relatives may be deemed to be concerned or interested, financially or otherwise, in this resolution.

In terms of Regulation 17 of the SEBI (LODR) Regulations, 2015, the Board recommends passing of the ordinary resolution at Resolution No. 2 of the accompanying Notice for approval by the Members of the Company.

Members' approval is sought by way of ordinary resolution proposed under Resolution No. 2 of the accompanying Notice.

RESOLUTION NO. 4

As provided under the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the Board, on the recommendation of the Audit Committee, has appointed M/s. Kiran J. Mehta & Co., Cost Auditors to conduct the audit of cost records of the Company for the Financial Year ending March 31, 2021 and perform the other duties under the applicable provisions of the law, on the total remuneration of Rs.35,000/- subject to ratification in general meeting.

None of the Directors, Key Managerial Personnel of the Company and/or their relatives may be concerned or interested (financially or otherwise) in the resolution.

In terms of Regulation 17 of the SEBI (LODR) Regulations, 2015, the Board recommends passing of the ordinary resolution at Resolution No. 4 of the accompanying Notice for approval by the Members of the Company.

Members' approval is sought by way of ordinary resolution proposed under Resolution No. 4 of the accompanying Notice.

RESOLUTION NO. 5

In order to enhance business volume, particularly niche products such as seamless pipes, as well as to improve contribution / profit margin, your company has taken several initiatives like channelizing sale through pipe industry expert and global player in oil and gas like Welspun Corp Limited, by getting additional business through them. Welspun Corp Limited, a Related Party under the Companies Act,

2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Since the proposed arrangement between the Company and WCL would be in respect of the products the Company, it would be an arrangement in the ordinary course of business of the Company. Further, the price for products shall be determined on arm's length based on the prevailing market terms. Hence, the transaction proposed for members' approval is in ordinary course and at an arm's length.

Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules') exempts a company from obtaining consent of the Board of Directors and the members in case the related party transactions entered into by the Company are in the ordinary course of business and on arm's length basis.

However, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') requires approval of the members through a resolution for all material related party transactions, even if they are entered into in the ordinary course of business and on arm's length basis, if the same is not exempt under Regulation 23(5) of the Listing Regulations. For this purpose, a transaction with a related party is considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements.

The proposed arrangement is estimated to exceed ten percent of the annual turnover of the Company as per the last audited financial statements, therefore, the approval of the shareholders is required.

Information required to be given in the explanatory statement pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 forms part of the resolution.

Except for Mr. Balkrishan Goenka, none of the Directors and/or any Key Managerial Personnel of the Company and/or their relatives may be concerned or interested (financially or otherwise) in the resolution.

In terms of Regulation 17 of the SEBI (LODR) Regulations, 2015, the Board recommends passing of the ordinary resolution at Resolution No. 5 of the accompanying Notice for approval by the Members of the Company.

Members' approval is sought by way of ordinary resolution proposed under Resolution No. 5 of the accompanying Notice in terms of Regulation 23 of the Listing Regulations. Related Party is not entitled to vote on this resolution.

RESOLUTION NO. 6

It is proposed to amend the terms of 5,09,04,271 12% Cumulative Redeemable Preference Shares of Rs.10/- each ("CRPS") by way of extension of redemption term of CRPS from existing redemption in "three equal installments from eight year onwards from the date of allotment" to make it redeemable on "19.02.2033 or any date before that based on the availability of cash flow" with other terms remaining unchanged. Since the Company is not likely to be in a position to redeem CRPS in short term, therefore it would be appropriate to extend the tenor of CRPS as mentioned in the proposed resolution.

Pursuant to the provisions of Section 48 of the Companies Act, 2013, the consent of three-fourths of CRPS holders have been obtained.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested, financially or otherwise, in the proposed Resolution except to the extent disclosed above and to the extent of their shareholding, if any, in the Company.

In terms of Regulation 17 of the SEBI (LODR) Regulations, 2015, the Board recommends passing of the special resolution at Resolution No.6 of the accompanying Notice for approval by the Members of the Company.

Members' approval is sought by way of a special resolution proposed under Resolution No. 6 of the accompanying Notice.

Place: Mumbai
Date: August 1, 2020

By Order of the Board

Sd/-
Rashmi Mamtura
Company Secretary
FCS- 8658

NOTES:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and Circular number SEBI / HO / CFD / CMD1 / CIR / P/2020/79 issued by the Securities and Exchange Board of India (SEBI) ("Circulars"). The Annual General Meeting ("AGM") will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. In compliance with the Circulars, the Annual Report 2019-20, the Notice of the AGM, instructions for e-voting are being sent only through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).
3. A statement pursuant to Section 102 (1) of the Companies Act, 2013 (the Act), relating to the Special Business to be transacted at the meeting is annexed hereto.
4. Since the General Meeting will be held through VC or OAVM in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited ("CDSL") for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. Members who have cast their votes by remote e-voting prior to the General Meeting may participate in the General Meeting but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
8. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
9. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at

<http://www.welspunspecialty.com/notice.php>. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

10. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
11. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the General Meeting. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of General Meeting, i.e. September 11, 2020. Members seeking to inspect such documents can send an email to CompanySecretary_WSSL@welspun.com.
12. All correspondence pertaining to Equity Shares should be forwarded to the Company's Registrar and Transfer Agent M/s. Bigshare Services Pvt. Ltd., Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis, Next to Keys Hotel, Marol Maroshi Road, Andheri (East), Mumbai – 400059, Contact person: Mr. Vinod Yadav (Client Executive) Tel: 91-22-62638200/22/23, Fax: 91-22-6263 8261, Email: vinod.y@bigshareonline.com, and are also requested to immediately inform their change of address, change of e-mail address or consolidation of folios, if any, to the Company's said Registrar and Transfer Agent.
13. Members are requested to update their complete bank account details with their depositories where shares are held in dematerialized mode and with Registrar & Share Transfer Agent ("RTA") of the Company i.e. Bigshare Services Private Limited by sending the request at vinod.y@bigshareonline.com. Along with copy of the request letter signed by the Members mentioning the name, folio number, bank account details, self-attested copy of PAN card and cancelled cheque leaf.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants and members holding shares in physical form can submit their PAN details to the Company.
15. The Company will send Notice of AGM in electronic mode to its Members who have registered their e-mail addresses for the purpose. Those shareholders who have not got their email address registered or wish to update a fresh email address may do so by submitting the attached E-mail Registration-Cum Consent Form to the Company or the Registrar and Transfer Agent of the Company consenting to send the Annual Report and other document in electronic form at the said e-mail address.
16. The shareholders who wish to nominate, any person to whom his securities shall vest in the event of his death, may do so by submitting the attached Nomination Form (Form SH - 13) to the Company or the Registrar and Transfer Agent of the Company. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of securities who has made the nomination, by giving a notice of such cancellation or variation.
17. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to M/s. Bigshare Services Pvt. Ltd, Registrar and Transfer Agent, for consolidation into a single folio.

18. The Notice for the Annual General Meeting will be available for inspection at the Registered Office of the Company on all working days between 10:00 a.m. to 12:00 noon upto the date of Annual General Meeting. The Notice will also be available on the Company's website at: www.welspunspecialty.com.
19. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as e-voting during the General Meeting.
20. M/s Mihen Halani and Associates, Practicing Company Secretaries have been appointed as the Scrutinizer to scrutinize the voting by way of e-voting process in a fair and transparent manner.
21. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
22. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.welspunspecialty.com, notice board of the Company at the registered office as well as the corporate office and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchanges at which the shares of the Company are listed.

Please read the instructions for e-voting before exercising the vote.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) **The voting period begins on Tuesday, September 8, 2020 at 9:00 am and ends on Thursday, September 10, 2020 at 5:00 pm.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Friday, September 4, 2020** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for Welspun Specialty Solutions Limited on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app “**m-Voting**”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; companysecretary_wssl@welspun.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. **For Physical shareholders-** please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to companysecretary_wssl@welspun.com or vinod.y@bigshareonline.com.
2. **For Demat shareholders** - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to companysecretary_wssl@welspun.com or vinod.y@bigshareonline.com.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. The shareholders may send their questions/queries to the Company's email id companysecretary_wssl@welspun.com at least 48 hours prior to the time fixed for the AGM i.e. by 11.30 am on September 9, 2020, mentioning their name, demat account number/folio number, email id, mobile number. These queries will be replied to by the Company suitably.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

Place: Mumbai
Date: August 1, 2020

By Order of the Board

Sd/-
Rashmi Mamtura
Company Secretary
FCS- 8658

Registered Office of the Company:

Plot No.1, G.I.D.C Industrial Estate, Valia Road,
Jhagadia, Dist. Bharuch, Gujarat – 393110
Corporate Identity Number: L27100GJ1980PLC020358
E-mail: companysecretary_wssl@welspun.com
Website: www.welspunspecialty.com

WELSPUN SPECIALTY SOLUTIONS LIMITED

(Erstwhile RMG Alloy Steel Limited)

CIN : L27100GJ1980PLC020358

Registered Office : Plot No 1, G I D C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat-393110.
Corporate Office : C/8, BKT House, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013.

Email : companysecretary_wssl@welspun.com Website: www.welspunspecialty.com

Tel: +91 -22-66136000 Fax: +91-22-2490 8020

Shareholders' Detail Updation-Cum-Consent Form

To,
The Company Secretary,
Welspun Specialty Solutions Limited,
(Erstwhile RMG Alloy Steel Limited)
Plot No 1, G I D C Industrial Estate, Valia Road,
Jhagadia, Dist. Bharuch, Gujarat-393110

I/ we the member(s) of the Company do hereby request you to kindly register/ update my e-mail address with the Company. I/ We, do hereby agree and authorize the Company to send me/ us all the communications in electronic mode at the e-mail address mentioned below. Please register the below mentioned e-mail address / mobile number for sending communication through e-mail/ mobile.

Folio No.	:	DP – ID	:	Client ID	:
Name of the Registered Holder (1 st)		:			
Name of the joint holder(s)		:			
Registered Address		:			
		:			
		Pin:			
Mobile Nos. (to be registered)		:			
E-mail Id (to be registered)		:			
Bank Account detail		:			
Name of the Bank		:			
Account Number		:			
Address of the Branch		:			
IFSC Code		:			
MICR Code		:			

Signature of the member(s)*

* Signature of all the members is required in case of joint holding.

Form No. SH-13
Nomination Form

(Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014)

To,
The Company Secretary,
Welspun Specialty Solutions Limited,
(*Erstwhile RMG Alloy Steel Limited*)
Plot No 1, G I D C Industrial Estate, Valia Road,
Jhagadia, Dist. Bharuch, Gujarat-393110

I/ We _____ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

2. PARTICULARS OF NOMINEE/S —

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) E-mail id:
- (h) Relationship with the security holder:

3. IN CASE NOMINEE IS A MINOR--

- (a) Date of birth:
- (b) Date of attaining majority
- (c) Name of guardian:
- (d) Address of guardian:

Name: _____

Address: _____

Name of the Security Holder(s) _____

Signatures: _____

Witness with name and address: _____

Instructions:

1. Please read the instructions given below very carefully and follow the same to the letter. If the form is not filled as per instructions, the same will be rejected.
 2. The nomination can be made by individuals only. Non-individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of power of attorney cannot nominate. If the Shares are held jointly all joint holders shall sign (as per the specimen registered with the Company) the nomination form.
 3. A minor can be nominated by a holder of Shares and in that event the name and address of the Guardian shall be given by the holder.
 4. The nominee shall not be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family, or a power of attorney holder. A non-resident Indian can be a nominee on re-patriable basis.
 5. Transfer of Shares in favor of a nominee shall be a valid discharge by a Company against the legal heir(s).
 6. Only one person can be nominated for a given folio.
 7. Details of all holders in a folio need to be filled; else the request will be rejected.
 8. The nomination will be registered only when it is complete in all respects including the signature of (a) all registered holders (as per specimen lodged with the Company) and (b) the nominee.
 9. Whenever the Shares in the given folio are entirely transferred or dematerialized, then this nomination will stand rescinded.
 10. Upon receipt of a duly executed nomination form, the Registrars & Transfer Agent of the Company will register the form and allot a registration number. The registration number and folio no. should be quoted by the nominee in all future correspondence.
 11. The nomination can be varied or cancelled by executing fresh nomination form.
 12. The Company will not entertain any claims other than those of a registered nominee, unless so directed by a Court.
 13. The intimation regarding nomination / nomination form shall be filed in duplicate with the Registrars & Transfer Agents of the Company who will return one copy thereof to the members.
 14. For shares held in dematerialized mode nomination is required to be filed with the Depository Participant in their prescribed form.
-

(Formerly known as RMG Alloy Steel Limited)

DIRECTORS' REPORT

To,
 The Members,
Welspun Specialty Solutions Limited
(Erstwhile RMG Alloy Steel Limited)

Your directors are pleased to present the Thirty Eighth Annual Report together with Audited Financial Statement of the Company for the year ended 31st March 2020.

FINANCIAL RESULTS

Particulars	(Rs. in Lakh)	
	2019-20	2018-19
Sales and other income	30,000	44,470
Profit/(Loss) before interest, depreciation and exceptional items	(6,620)	(3,350)
Interest and Financial charges	1,541	945
Depreciation and Amortization	1,032	668
Profit/ (Loss) before exceptional items and tax	(9,194)	(4,963)
Exceptional items	1,057	2,949
Profit/(Loss) before tax	(8,137)	(2,014)

OPERATIONS

Operations of the Company were as under:

Particulars	2019-20			2018-19		
	Production (Tones)	Sales (Qty M.T.)	Gross Sales (Rs.in Lakh)	Production (Tones)	Sales (Qty M.T.)	Gross Sales (Rs.in Lakh)
Steel	31,112	37,233	29,517	75,280	71,458	44,075

The year was exceptionally challenging for steel industry and especially alloy steel sector due to its prominent reliance on automotive industry. The overall automotive production dipped by around 15% in 2019-20, and the production of Commercial Vehicle, in which your company mainly operates, fell by unprecedented level of 33% in the same period. The integrated steel manufacturers made multiple price reductions during the year in order to load the mills.

The falling demand coupled with extreme price pressure pushed all EAF route alloy steel producers in red. The alloy steel range primarily manufactured by the Company were particularly going in for commercial vehicles application which happened to be the worst affected segment within automotive industry.

Stainless steel business was also impacted due to overall economic scenario, however prospects for seamless pipes continued to appear relatively positive. Considering the above situation, the management therefore decided to fully concentrate on stainless steel pipe & tubes and shall reconsider starting the alloy / stainless bar operations when the market condition is conducive.

The demand for seamless pipe of stainless steel and nickel alloys is strengthening led by energy, fertiliser and defense sectors. Your company is totally focused to stabilize and ramp up the pipe production to meet the increasing demand. The Company also continues to operate rolling mill to feed the pipe plant and also serve some of its important customers of rolled products.

(Formerly known as RMG Alloy Steel Limited)

Except as mentioned in this report, no material change or commitment has occurred which would have affected the financial position of the Company between the end of the financial year to which the financial statements relate and the date of the report.

DIVIDEND AND RESERVES

In view of the loss during the year as well as accumulated losses, your directors could not recommend any dividend for the financial year ended on March 31, 2020 nor could propose to transfer any amount to reserves.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) & 134(5) of the Companies Act, 2013 (the "Act"), your directors hereby confirm that:

- a) In the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March 2020 and of the profit and loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

NET WORTH STATEMENT

The Company's financial statements has been prepared as per Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015. As per the Ind AS, Redeemable Preference Share Capital and Securities Premium collected on redeemable preference share are shown as borrowing in the financial statement. However, as per Section 2(57), Section 2(64) and section 43 of the Companies Act 2013, Net Worth definition include "paid-up share capital" i.e. equity share capital and preference share capital. Therefore for the purpose of calculation of net worth, redeemable preference share capital and securities premium collected on redeemable preference share capital are also considered as a part of the Net Worth.

Particulars	Net worth as on 31.03.2020	Net Worth as on 31.03.2019
Equity share capital	29,341	20,802
Securities premium collected on Equity Share Capital	25,067	14,295
Redeemable Preference share Capital	9,621	19,920
Securities Premium collected on preference share Capital	14,225	14,726
Retained Earnings	(66,553)	(58,416)
Net Worth	11,701	11,327

(Formerly known as RMG Alloy Steel Limited)

DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP)

a. Board of Directors:

During the year, Mr. Atul Desai (independent director) was re-appointed as an independent director for the second term of five years, by the members in their Annual General Meeting held on July 26, 2019. The Board has positive opinion about integrity, expertise, experience (including the proficiency) of Mr. Atul Desai to act as an independent director.

Mr. Anuj Burakia (whole time director) of the Company, retiring by rotation at the 38th Annual General Meeting and being eligible, has offered himself for reappointment. Board has recommended his reappointment.

Six (6) meetings of Board of Directors were held during the financial year 2019-20, the details of which are given in the Corporate Governance Report.

b. Key Managerial Personnel:

There was no change in the key managerial personnel during the year.

c. Declaration by Independent Directors:

Your Company has received declarations from each independent director as per the provisions of Section 149(7) of the Act confirming he / she met the criteria of independence as prescribed under the provisions of Section 149(6) of the Act and that there is no change in the circumstances as on the date of this Report which may affect his / her respective status as an independent director.

All the independent directors on the Board of the Company are registered with the Indian Institute of Corporate Affairs, Manesar, Gurgaon as notified by the Central Government under Section 150(1) of the Companies Act, 2013.

d. Annual Board Evaluation:

The performance evaluation of the Board of Directors was conducted by the entire Board (excluding the director being evaluated) on the basis of a structured questionnaire which was prepared after taking into consideration SEBI's Guidance Note on board evaluation and inputs received from the directors, covering various aspects of the Board's functioning viz. adequacy of the composition of the Board and its Committees, time spent by each of the directors; accomplishment of specific responsibilities and expertise; conflict of interest; integrity of the director; active participation and contribution during discussions and governance.

For the financial year 2019-20, the annual performance evaluation was carried out by the Independent Directors, Nomination and Remuneration Committee and the Board, which included evaluation of the Board, Independent Directors, Non-independent Directors, Executive Directors, Chairman, Committees of the Board, Quantity, Quality and Timeliness of Information to the Board. All the results were satisfactory to the Board.

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DISCLOSURE AS PER SECTION 197(12) AND RULE 5 (1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

- (i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year: **the ratio cannot be derived as no remuneration was paid to any directors during the year under consideration.**
- (ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year: **there was no increase in remuneration of Directors, CEO, CFO or CS.**
- (iii) the percentage increase in the median remuneration of employees in the financial year: **25%.**
- (iv) the number of permanent employees on the rolls of company: **401.**
- (v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: **the average increase in remuneration of employees excluding KMP in last financial year was 5.49%. There was no increase in managerial remuneration as compared to the last year.**
- (vi) the remuneration is as per the remuneration policy of the Company.

No commission to directors was payable during the year under review.

PARTICULARS OF EMPLOYEES

The details of employees of the Company drawing remuneration as prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as follows:

Sr No	Name	Designat-ion	Remuneration Drawn during the year (Rs.)	Nature of Employ-ment	Qualification	Experience (Years)	Date of commence-ment of employment	Age	Last employ-ment	% of equity shares	relative
1	Nitin Bhat	Senior Vice President	71,28,231	Permanent	BE Metallurgy, MBA	32	18-Apr-16	56	Kalyani Carpenter Special Steels Ltd	NIL	NO
2	Ashish Aggarwal	President	63,64,130	Permanent	BE Metallurgy	28	19-Aug-19	49	Jindal Steel way	NIL	NO
3	Samir Malhotra	Vice President	61,99,210	Permanent	B E Metallurgy, MBA Sales	26	24-May-18	51	Arora Iron & Steels Ltd as Head Marketing	NIL	NO
4	Shrinivas Durge	Senior Vice President	56,49,249	Permanent	BE Mechanical	37.39	10-Nov-10	60	Ispat Industries	NIL	NO
5	Vikash Verma*	President	40,72,625	Permanent	BE Metallurgy	21.95	06-Apr-19	43	Al Qataria Steel	NIL	NO

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6	Minine Gudioho	Vice President	39,57,998	Permanent	BE Electrical	31.98	10-Apr-18	56	Jindal South West	NIL	NO
7	Niranjan Purandare*	Assistant Vice President	29,02,711	Permanent	BE Chemical	30.81	15-Jan-19	53	Mahindra Sanyo Special Steels Pvt Ltd.	NIL	NO
8	Narendra Hinge*	Vice President	27,49,806	Permanent	BE Metallurgy	27.87	03-Mar-18	54	Sun flag Iron & Steel co. ltd	NIL	NO
9	Balasubramanian Natrajan*	Retainer	27,00,272	On Retainership	BE Electrical	50	09-Jan-19	70	ISMT as Freelancer	NIL	NO
10	Naresh Bansal*	Senior Vice President	26,86,934	Permanent	CA	29.12	16-Apr-18	55	Bansal Naresh & Co. CA.	NIL	NO

* resigned / discontinued during the year.

• **Remuneration policy and criteria for making payment to non-executive directors:**

Pursuant to Section 178 (3) and provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, Nomination and Remuneration Committee (NRC) at its meeting held on 5th February, 2019 had approved and recommended a revamped policy relating to criteria for determining qualifications, positive attributes and independence of directors, the remuneration for the Directors, Key Managerial Personnel and other employees and the Board of Directors had approved the said revised policy as recommended by NRC, at its meeting held on 5th February, 2019.

An extract of Nomination and Remuneration Policy of the Company is included as a part of the Corporate Governance Report.

AUDIT COMMITTEE

The Audit Committee consists of the following Non-Executive Directors as on March 31, 2020:

a.	Mr. Atul Desai,	Chairman, Independent
b.	Mr. M. Narayana Rao,	Member, Independent
c.	Ms. Amita Karia,	Member, Independent
d.	Mr. Anuj Burakia,	Member, Whole Time Director

None of the Audit Committee's recommendations were rejected.

EMPLOYEE STOCK OPTIONS

The Company granted stock options during the year 2018-19, disclosure as required under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 and Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 are as under:

(I) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including -	
(a) Name of the ESOP Plan	RMG Alloy Steel Ltd Employee Stock Options (Senior Management Personnel) Scheme 2018
(b) Date of shareholders' approval	15.05.2018
(c) Total number of options approved under ESOS	2,000,000
(d) Vesting requirements	The Vesting of ESOPs shall happen at every anniversary of the date of grant in quantum of 35% and 35% of the total

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	ESOPs granted for the first 2 years and 30% of the total ESOPs granted shall vest on completion of 2 years 3 months from the date of grant*
(e) Exercise price or pricing formula	Nil
(f) Maximum term of options granted	Upto the third anniversary from the date of Vesting
(g) Source of shares (primary, secondary or combination)	Primary
(h) Variation in terms of options	-
(II) Method used to account for ESOS - Intrinsic or fair value.	Fair Value
(III) Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	Not Applicable
(IV) Option movement during the year	
Number of options outstanding at the beginning of the period	0
Options granted	1,782,000
Options vested	4,38,200
Options exercised	4,38,200
The total number of shares arising as a result of exercise of option	4,38,200
Options forfeited / lapsed	530,000
The exercise price	Nil
Money realized by exercise of options	Nil
Loan repaid by the Trust during the year from exercise price received	Not Applicable
Number of options outstanding at the end of the year	8,13,800
Number of options exercisable at the end of the year	Nil
Employee wise details of options granted to:-	
Key managerial personnel Mr. Anuj Burakia	835,000
Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year Mr. Chintan Thaker Mr. Sudhakar Asawale	417,000 530,000 (lapsed)
Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	Nil

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Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 "Earnings Per Share.	(1.99)
Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Exercise Price: Nil Fair Value 25.50
A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:	
(i) risk-free interest rate	7.84% to 8.02%
(ii) expected life	4 to 6 years
(iii) expected volatility	56.85%
(iv) expected dividends	0%
(v) the price of the underlying share in market at the time of option grant.	25.50

* Altered vide NRC resolution dated June 18, 2020

DEPOSITS

The Company has not accepted any deposit within the meaning of Chapter V to the Companies Act, 2013. Further, no amount on account of principal or interest on deposit was outstanding as at the end of the year under the Report.

EXTRACT OF ANNUAL RETURN

An extract of the annual return in Form MGT-9 of the Companies (Management and Administration) Rules, 2014 is attached to this Report as **Annexure I** and is also placed on the website of the Company and can be accessed at www.welspunspecialty.com.

DETAILS OF RELATED PARTY TRANSACTIONS

Details of arrangement entered into with related parties under section 188 (related party) pursuant to Rule 8 (2) of the Companies (Accounts) Rules, 2014 are mentioned in form AOC-2 enclosed as **Annexure II**.

The Company's policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.welspunspecialty.com.

Save and except as disclosed in the financial statements, none of the Directors had any pecuniary relationships or transactions vis-à-vis the Company.

Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please refer Note no. 36 for details of transactions with Welspun Steel Ltd, being an entity belonging to the Promoters Group holding more than 10% of shareholding.

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As the Company neither being a holding company nor a subsidiary as at March 31, 2020, disclosure of related party transaction as per Schedule V of SEBI (LODR) Regulations, 2015 are not applicable.

RECLASSIFICATION OF PROMOTERS

Reclassification of Saraf Group and Widescreen Holdings Pvt Ltd, constituents of Promoters' Group, as public shareholders was approved by members in their Annual General Meeting held on September 24, 2018 and the same was subsequently approved by the BSE Ltd on May 14, 2019.

CHANGE IN CAPITAL DURING THE YEAR

Details of Equity Shares of Rs. 6/- each allotted during the year

Date of Allotment	No. of Equity Shares Allotted	Issue Price	Cumulative No. of equity Shares
09.04.2019	6,94,15,000	Rs.12	41,61,09,164
27.11.2019	7,24,61,326	Rs.15	48,85,70,490
16.12.2019	4,38,200	-	48,90,08,690

Details of Preference Shares redeemed during the year

Date of Redemption	Class of Preference Shares	No. of Shares Redeemed	Face Value	Redemption Price
27.11.2019	Redeemable Preference Shares	6,52,00,000	Rs.10	Rs.10
27.11.2019	12% Cumulative Redeemable Preference Shares	20,00,000	Rs.10	Rs.35
27.11.2019	6.5% Redeemable Preference Shares	3,57,92,000	Rs.10	Rs.10

PREFERENTIAL ISSUE AND UTILISATION OF FUNDS

During the financial year your company has issued 7,24,61,326 equity shares of Rs.6 each, and 4,02,66,666 warrants having option to subscribe to equal number of equity shares, at the issue price of Rs.15 per share (i.e. including securities premium of Rs.6 per equity share) on preferential basis.

Particulars	Amount (Rs.)
Funds Raised:	
Equity Shares & Warrants (November 2019)	1,237,919,888
Total Funds raised	1,237,919,888
Utilisation:	
Redemption of Existing Preference Shares	1,07,99,20,000
Used for General Corporate Purpose / Working capital purpose (some part of which would be utilised for Capex going forward)	15,79,99,888
Total Utilisation	1,237,919,888

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AUDITORS AND THEIR REPORTS

- **Statutory Auditors:**

Your Company's Auditors, M/s. Pathak H.D. & Associates LLP, Chartered Accountants were appointed for the period of five years till the conclusion of 40th Annual General Meeting.

Please refer to Auditors' Observations and in relation thereto the Board of Directors states that comments under Emphasis of Matters read together with notes to accounts are self-explanatory and therefore do not call for explanation.

No fraud was reported by the Auditors of the Company to the Audit Committee pursuant to section 143(12) of the Act.

- **Cost Auditors:**

The Company has made and maintained cost records as per Section 148 and other applicable provisions, if any, of the Act read with Companies (Audit and Auditors) Rules, 2014. The Board of Directors of your Company has appointed M/s. Kiran J. Mehta, Cost Accountants as the Cost Auditors of your Company for FY 2020-21 at a remuneration of Rs.35,000/- p.a. on the recommendations made by the Audit Committee.

Members are requested to ratify their remuneration by passing an ordinary resolution in the forthcoming Annual General Meeting.

- **Secretarial Auditors:**

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. Miheh Halani & Associates, Practicing Company Secretaries, as the Secretarial Auditor of your company for the FY 2020-21. The Secretarial Audit Report issued by M/s. Miheh Halani & Associates for FY 2019-20 is annexed herewith as **Annexure III** to this Report.

As regards observations of the Secretarial Audit Report, Note 1-3 are self-explanatory and requires no comments. In respect of Note 4, the delay in submission of Annual Secretarial Compliance Report for FY 2018-19 was unintentional and happened due to executive error.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186.

The Company has not made any investment nor given any loan or provide any guarantee / security for repayment of loan under section 186 of the Act.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Company has a Whistle Blower Policy and Vigil Mechanism for its directors and employees, and no personnel have been denied access to the Audit Committee Chairman.

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo required pursuant to Rule 8(3) of the Companies (Accounts) Rules, 2014 are as follows:

(Formerly known as RMG Alloy Steel Limited)

A. Conservation of Energy

(i) Steps taken or impact on conservation of energy.

- Erection and commissioning of digital regulation of Arc Furnace for Power optimization.
- Operating the EAF fume extraction system with variable frequency drive in place of conventional starters
- Remodeling the rolling mill WHF recuperator for better efficiency thus optimizing energy consumption
In WHF old recuperator is replaced with new recuperator with more efficient design. Which has increased the combustion air temperature to 320 Deg C from 200 Deg C. Increased combustion temperature reduces the fuel consumption in the furnace.
- Incorporation of additional cooling bed to avoid bending and increase mill efficiency thus avoiding straightening process
Erection of additional TOCB (turn over cooling bed) is under progress. TOCB turns hot bar continuously to ensure that there is no bending of the bars.

B. Technology Absorption:

- Replacing electromagnetic relays with numerical relays for proper fault discrimination avoiding spurious tripping thus avoiding metal reheating
- Installation of second ETP of 50 M3 capacity for water treatment and reuse
New pickling line was commissioned in pipe plant and due to which nature of effluent generated has changed. To mitigate the effect of new effluent better technology was required. As per commitment of Welspun Group towards environment protection new ETP was installed and commissioned. The quality of discharge of this ETP is well within the GPCB norms.

C. Capacity Enhancement & Technological Up gradation: SS Pipe Division.

- Bar Peeling Machine (Dia. 102mm to 255 mm) : Incorporation of new Higher range automated Bar Peeling Machine (Dia. 102 mm to Dia. 255 mm) to cater Extrusions Press and customer demand.
Existing old Bar peeling machine has limitation up to Dia.140 mm, addition of new machine not only fulfilled extrusion requirement but also increased productivity of billets preparation for SS pipes extrusion.
- Bar Polishing Machine (Dia. 90 mm to 260 mm): New facility of bar grinding, require for special grade SS billet preparation and also customer requirement.
Installation of bar grinding and polishing facilitated better surface finish of billets. This significantly improved surface quality of finished extruded pipes.
- Automated High speed Band Saw : Addition of automated high speed bar cutting band saw to cater Extrusion press requirement.
Initial capacity was only 160 nos. of billet cutting per day, addition of high speed band saw increased daily production 400 nos. billets.
- Twin Spindle Billet deep hole drilling machine: Incorporation of high speed double spindle billet deep hole drilling machine required to cater extrusion press.
Before installation of DHDM (Twin Spindle) daily billet hole making capacity was around **120** nos. which was bottle neck to cater daily extrusion capacity. Addition of new facility increased billet hole making around **520** nos. billets per day.
- CNC Turning Centre & CNC SPM (End RADIUSING): Essential requirement for SS billet preparation for SS pipe extrusion process technology.
CNC lathe was implemented to ensure continuous supply of billets to Press with better radiusing quality at cheaper cost per billet.
- Ultrasonic Billet cleaning machine: Essential requirement for SS pipe extrusion.
State of the art Ultrasonic cleaning technology implemented for effective cleaning of billet after machining operations of DHDM, Radiusing, etc. Machine enables higher capacity, better quality and lower cost.

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- Gas Fired SS Pipe Solution annealing Furnace (1.5 TPH) : Additional incorporation to enhance capacity and product quality.
Looking at the business scenario and ramping up of facilities in other area, additional resource was invested into. Helps in higher production as the furnace is automated.
- Pipe Draw on Bar Facilities: Product development by new Technology.
This technology first introduced in India (WSSL). Very high speed of 15m/min can be achieved over the period of time. Innovative technology for higher production of cold finished tubes. Will be instrumental in our foray into instrumentation tubings of smaller diameter.
- Bright Annealing Furnace: Old Furnace revamped for capacity enhancement and technology up gradation.
Old furnace was not in operational and under maintenance, revamped furnace to make it operation with new technology. Complete revamp and commissioning was carried out by in-house resources and team.
- ROTA UT machine (Ultrasonic Flaw Testing Machine): Not operational. No facility for pipe testing, essential customer requirement.
Machine revamped and made operational by modification. Improved testing facility and customer satisfaction.
- Immersion UT facility: Not operational. Essential requirement of customer.
Machine revamped and made operational, inlet /outlet conveyor modified to increase productivity.
- Pipe U bending machine, Pipe U bend cutting machine, Pipe U bend hydrostatic pressure testing machine: Not operational
To support need of Heat Exchanger manufacturers who use U tubes, machine was made operational with automatic operations. This machine is supported with testing tables, Stress relieving and hydrotesting facilities.
- Pipe U bend Annealing machine: Incorporation of new facility for U bend.

D. Foreign exchange earnings and outgo

- Foreign exchange earned in terms of actual inflows during the year:
FOB Value of exports Rs.42 Lakhs (Rs.220 Lakhs)
- Foreign exchange outgo during the year in terms of actual outflows:
Imports on CIF Basis/expenditure in foreign currency Rs.7,573 lakhs (Rs.1,604 Lakhs)

CORPORATE GOVERNANCE

A separate report on Corporate Governance is annexed hereto as a part of this Report as **Annexure IV**. A certificate from the Secretarial Auditors of the Company regarding compliance of conditions of Corporate Governance as prescribed under the SEBI (LODR) Regulations, 2015 is attached to this report as **Annexure V**. Management Discussion and Analysis Statement is separately given in the Annual Report as **Annexure VII**.

BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective, as prescribed under Regulation 34 of the SEBI (LODR) Regulations, 2015, is annexed hereto as **Annexure VIII**.

RISK MANAGEMENT POLICY

The Board of Directors has considered and approved a revamped risk management policy to suit the dynamic business environment.

(Formerly known as RMG Alloy Steel Limited)

The Board has approved Risk Management Policy (RMP) to effectively address financial, operational, compliance and strategic risk. A structured enterprise risk management program has been formulated and implemented. Refer to the Management Discussion and Analysis Section in this Report for risks and threats relevant to your Company.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTOR

The details of familiarization program (for independent directors) are disclosed on the Company's website: www.welspunspecialty.com.

CODE OF CONDUCT

The Company has Code of Conduct for Board members and senior management personnel. A copy of the Code has been put on the Company's website for information of all the members of the Board and Senior Management Personnel.

All Board members and senior management personnel have affirmed compliance of the same.

PROHIBITION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has complied with the provisions relating to constitution of Internal Complaint Committee ("ICC") under Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act 2013. The ICC comprises of internal as well as external members.

Disclosure of number of complaints filed, disposed of and pending in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as on the end of the financial year under Report are as under:

- number of complaints filed during the financial year - Nil
- number of complaints disposed of during the financial year – Not applicable
- number of complaints pending as on end of the financial year - Nil

INTERNAL CONTROLS

Your company has adequate internal control system, which is commensurate with the size, scale and complexity of its operations. Your Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation of Section 134(5)(e) of the Act, SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and other relevant statutes applicable to your Company. The executive management and internal auditors continuously monitors the efficiency of the internal controls / compliance, with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance of the adequacy and effectiveness of the organisation's risk management, control and governance processes. For the year ended March 31, 2020, the Board is of the opinion that your company has sound IFC commensurate with the nature of its business operations; wherein adequate controls are in place and operating effectively and no material weakness exists. Also refer paragraph under caption "internal control system" in Management Discussion and Analysis.

MISCELLANEOUS

The Board of Directors affirms that the Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Companies Secretaries of India and that such systems are adequate and operating effectively. The Company has complied with the applicable Secretarial Standards.

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During the year, there was no change in the general nature of business of your Company. No material change or commitment has occurred which would have affected the financial position of your Company between the end of the financial year to which the financial statements relate and the date of the report. No significant and material order was passed by the regulators or courts or tribunals which would have impacted the going concern status and your Company's operations in future. No amount was required to be transferred to General Reserve. No share with differential rights was issued by your Company nor did your Company issue any equity share as sweat equity share. Your Company has not made any provision of money for the purchase of, or subscription for, shares of your Company or its holding company, to be held by or for the benefit of the employees of your Company and hence the disclosure as required under Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is not required. No fraud took place in the Company during the year and hence, no such reporting was made to the Audit Committee and the Board under Rule 13(3) of the Companies (Audit and Auditors) Rules, 2014.

ACKNOWLEDGEMENT

Your directors take this opportunity to express gratitude for valuable assistance and cooperation extended to the Company by financial institutions, commercial banks, statutory and regulatory authorities, customers, suppliers and other agencies engaged with the Company. Your directors also wish to place on record their sincere appreciation of the dedicated services, hard work, solidarity and profuse support by all the employees of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Anuj Burakia
Whole Time Director
DIN: 02840211

Prakash Tatia
Director
DIN: 06559106

Place: Mumbai
Date: June 18, 2020

(Formerly known as RMG Alloy Steel Limited)

Annexure I

Form No. MGT – 9 EXTRACT OF ANNUAL RETURN As on the financial year ended on March 31, 2020

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

I. REGISTRATION AND OTHER DETAILS

- i. CIN : L27100GJ1980PLC020358
- ii. Registration Date : December 29, 1980
- iii. Name of the Company : Welspun Specialty Solutions Limited
(Erstwhile RMG Alloy Steel Limited)
- iv. Category / Sub Category of the Company: Public Limited Company
- v. Address of the Registered office and contact details:

Plot No.1, G.I.D.C. Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat 393110; Contact Tel: +91 226613 6000; Fax:+91 22 2490 8020
Email: companysecretary_wssl@welspun.com
- vi. Whether listed company: Yes. BSE Limited
- vii. Name, address and contact details of Registrar and Transfer Agent:

M/s. Bigshare Services Private Limited
Unit : Welspun Specialty Solutions Limited
Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis,
Next to Keys Hotel, Marol Maroshi Road, Andheri (East), Mumbai – 400059
Tel: 91226263 8200/ 22/ 23 Fax: 91226263 8261
Email: vinod.y@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

- All business activities are of manufacturing alloy, stainless steel & its products such as Seamless Tubes & Rolled Products and hence the entire turnover is from alloy and SS steel & its products.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Name and Address Of The Company	CIN / GLN	Holding / Subsidiary / Associate	% Of Shares Held	Applicable Section
NIL				

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IV. SHARE HOLDING PATTERN (equity share capital breakup as percentage of Total Equity)

i. Category wise shareholding as on 31.03.2020

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF:-	--	--	--	--	--	--	--	--	--
b) Central Govt.	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	155547034	0	155547034	44.87	243590034	0	243590034	49.81	(4.95)
e) Banks/FI	--	--	--	--	--	--	--	--	--
f) Any other... (Trust)	--	--	--	--	--	--	--	--	--
Total	155547034	0	155547034	44.87	243590034	0	243590034	49.81	(4.95)
SUB TOTAL:(A) (1)	155547034	0	155547034	44.87	243590034	0	243590034	49.81	(4.95)
(2) Foreign									
a) NRI - Individuals	--	--	--	--	--	--	--	--	--
b) Other - Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Banks/FI	--	--	--	--	--	--	--	--	--
e) Any other...	--	--	--	--	--	--	--	--	--
SUB TOTAL (A) (2)	--	--	--	--	--	--	--	--	--
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	155547034	0	155547034	44.87	243590034	0	243590034	49.81	(4.95)
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	50	16730	16780	0.00	50	16730	16780	0.00	0.00
b) Banks/FI	10	120	130	0.00	10	120	130	0.00	0.00
c) Central govt									
d) State Govt.(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIS	21	23740	23761	0.01	0	23740	23740	0.00	0.00
h) Foreign Venture Capital Funds									
i) Others (specify)									
SUB TOTAL (B)(1)	81	40590	40671	0.01	61	40590	40651	0.01	0.00

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(2) Non - Institutions									
a) Bodies Corp.									
i) Indian	54702127	31350	54733477	15.79	57255997	30860	57286857	11.71	4.07
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakh	7064924	906788	7971712	2.30	7689118	900078	8589196	1.76	0.54
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakh	124162372	0	124162372	35.81	174408554	0	174408554	35.67	0.15
c) Others (specify)									
i) Clearing Member	1133690	0	1133690	0.33	1481117	0	1481117	0.30	0.02
ii) NRI	2984133	30	2984163	0.87	3491566	30	3491596	0.71	0.15
iii) Trust	355	0	355	0.00	355	0	355	0.00	0.00
iv) Unclaimed Suspense Account	120690	0	120690	0.03	120330	0	120330	0.02	0.01
SUB TOTAL (B)(2)	190168291	938168	191106459	55.12	244447037	930968	245378005	50.18	4.94
Total Public Shareholding (B)= (B)(1)+(B)(2)	190168372	978758	191147130	55.13	244447098	971558	245418656	50.19	4.95
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--					
Grand Total (A+B+C)	345715406	978758	346694164	100.00	488037132	971558	489008690	100.00	(0.00)

ii. Shareholding of Promoters and Change in Promoters' shareholding

Sl. No	Shareholder's name	Shareholding as on 31.03.2019			Shareholding as on 31.03.2020			
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	% change in shareholding during the year
1	Welspun Steel Ltd	155547034	44.87	66.87	243590034	49.81	51.25	4.95
	Grand total	155547034			243590034			

iii. Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

SR NO	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (01.04.2018 / end of year 31.03.2019)	% total Shares of the Company				No of Shares	% total Shares of the Company
1	DILIPKUMAR LAKHI	86500000	17.69	30-Mar-2019			86,500,000	17.69
				10-Jan-2020	17,500,000	Buy	104,000,000	21.27
				31-Jan-2020	18,133,333	Buy	122,133,333	24.98
				31-Mar-2020			122,133,333	24.98
2	PANKAJ JAWAHARLAL RAZDAN	12500000	2.56	30-Mar-2019			12,500,000	2.56

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				31-Jan-2020	2,666,666	Buy	15,166,666	3.10
				31-Mar-2020			15,166,666	3.10
3	WIDESCREEN HOLDINGS PVT LTD	11351353	2.32	30-Mar-2019			11,351,353	2.32
				31-Mar-2020			11,351,353	2.32
4	WINRO COMMERCIAL (INDIA) LTD	7916666	1.62	30-Mar-2019			7,916,666	1.62
				31-Jan-2020	2,666,666	Buy	10,583,332	2.16
				31-Mar-2020			10,583,332	2.16
5	RITESH DESHMUKH	2500000	0.51	30-Mar-2019			2,500,000	0.51
				31-Jan-2020	6,666,666	Buy	9,166,666	1.87
				31-Mar-2020			9,166,666	1.87
6	MAGNIFICENT TRADING PRIVATE LIMITED	7012334	1.43	30-Mar-2019			7,012,334	1.43
				31-Mar-2020			7,012,334	1.43
7	CALPLUS TRADING PRIVATE LIMITED	6114390	1.25	30-Mar-2019			6,114,390	1.25
				31-Mar-2020			6,114,390	1.25
8	VISHWAKARMA JOBWORKS LIMITED	2556545	0.52	30-Mar-2019			2,556,545	0.52
				31-Mar-2020			2,556,545	0.52
9	AGELESS CAPITAL AND FINANCE PRIVATE LIMITED	2463333	0.50	30-Mar-2019			2,463,333	0.50
				31-Mar-2020			2,463,333	0.50
10	REMI FINANCE AND INVESTMENT PVT. LTD.	2460000	0.50	30-Mar-2019			2,460,000	0.50
				31-Mar-2020			2,460,000	0.50

Note: Top ten shareholders of the company as on March 31, 2020 has been considered for the above disclosure

iv. Shareholding of Directors and Key Managerial Personnel :

Sr. no.	Name of the Director and KMP	Shareholding at the beginning of the year		Change in Shareholding Increase/ Decrease	Shareholding at the end of the year.	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
	Directors					
1	Mr. Atul Desai	--	--	--	--	--
2	Mr. Anuj Burakia (WTD)	200,000	0.06	292,250	492,250	0.10
3	Ms. Amita Karia	--	--	--	--	--
4	Mr. Balkrishan Goenka	--	--	--	--	--
5	Mr. Prakash Tatia	383,333	0.11	--	383,333	0.08
6	Mr. Myneni Narayana Rao	7789	0.00	--	7789	0.00
	KMP					
1	Mr. Narendra Kumar Bhandari	--	--	--	--	--
2	Ms. Rashmi Mamtura	12	0.00	--	12	0.00

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V. INDEBTEDNESS

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

(Rs.in Lakh)

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	2,816	-	-	2,816
ii. Interest due but not paid	-	367	-	367
iii. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	2,816	367	-	3,183
Change in indebtedness during the financial year.				
i. Addition	4,563	-	-	4,563
ii. Reduction	(203)	-	-	(203)
iii. Change in Interest due but not paid	-	191	-	191
iv. Change in Interest accrued but not due	-	-	-	-
Net change	4,360	191	-	4,551
Indebtedness at the end of the financial year				
i. Principal Amount	7,176	-	-	7,176
ii. Interest due but not paid	-	558	-	558
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	7,176	558	-	7,734

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

A. Remuneration to Managing Director, Whole Time Directors and/or Manager: NIL

B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Name of Directors			Total amount
		Amita Karia	Atul Desai	M. Narayana Rao	
1	Independent Directors				
	Fee for attending Board & Committee meetings	116000	180000	142000	438000
	Commission	-	-	-	-
	Others	-	-	-	-
	Total (1)	116000	180000	142000	438000

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Balkrishan Goenka	Prakash Tatia	
2	Other Non-Executive Directors			
	Fee for attending Board & Committee meetings	-	-	-
	Commission	-	-	-
	Others	-	-	-
	Total (2)	-	-	-
	Total (B) = (1 + 2)	438000		
	Total Managerial Remuneration	NIL		
	Overall Ceiling as per the Act.	The above amount is paid to directors towards fees for attending meetings of the Board or Committee. Pursuant to the Act, the amount of such fees should not exceed Rs. one lakh rupees per meeting of the Board or Committee thereof.		

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C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel (p.a.)			Total
		Narendra Kumar Bhandari (CFO)	Rashmi Mamtura (CS)	Mr. Anuj Burakia	
1	Gross Salary				
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	6,00,000	1,80,000	-	7,80,000
	b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	-	-	-	-
	c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	2,92,250	2,92,250
3	Sweat Equity	-	-	-	-
4	Commission As % of profit Others	-	-	-	-
5	Others	-	-	-	-
	Total	6,00,000	1,80,000	2,92,250	10,72,250

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES : NIL

For and on behalf of the Board of Directors

Anuj Burakia
 Whole Time Director
 DIN: 02840211

Prakash Tatia
 Director
 DIN: 06559106

Place: Mumbai
 Date: June 18, 2020

(Formerly known as RMG Alloy Steel Limited)

Annexure II

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis NA

2. Details of material contracts or arrangement or transactions at arm's length basis

a.	Name(s) of the related party and nature of relationship	Welspun Steel Limited (Enterprise under common control with the Company)
b.	Nature of contracts/arrangements/ transactions	Purchase of DRI/ sponge iron, stores materials, Scrap and sale of finished goods
c.	Duration of the contracts / arrangements/transactions	01.04.2019 to 31.03.2020
d.	Salient terms of the contracts or arrangements or transactions including the value:	• Purchases of DRI/ sponge iron & Others from Welspun Steel Limited for Rs.394.70 lakh during the period from 01.04.2019 to 31.03.2020 are at a market price and on Arm's length basis. • Sale of finished goods & Other of Rs.2118 lakh to Welspun Steel Ltd during the period from 01.04.2019 to 31.03.2020 are at a market price and on Arm's length basis • All material transactions entered with the related party is carried out in the ordinary course of the business.
e.	Date(s) of approval by the Board	The Board of Directors at their meeting held on February 5, 2019 approved the said transactions
f.	Amount paid as advances	Nil

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Anuj Burakia
 Whole Time Director
 DIN: 02840211

Prakash Tatia
 Director
 DIN: 06559106

Place: Mumbai
 Date: June 18, 2020

Mihen Halani & Associates
Practicing Company Secretaries

32,1st Floor, Shantinath Shopping Centre, Near Aditi Restaurant, S.V. Road,
Malad (West), Mumbai – 400 064, (: 022 – 6236 0279 :: mihenhalani@gmail.com

FORM MR-3
SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2020

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

To,
The Members,
Welspun Specialty Solutions Limited (Formerly RMG Alloy Steel Limited)
CIN: L27100GJ1980PLC020358

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Welspun Specialty Solutions Limited (Formerly RMG Alloy Steel Limited)("the Company")** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

- i. The Companies Act, 2013 ("the Act") and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made there under;
- iii. The Depositories Act, 2018 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act");
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

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- e) The Securities And Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014;
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 -**Not Applicable during the period under review;**
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable during the period under review, and**
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 -**Not Applicable during the period under review.**
- vi. We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other various applicable Acts, Laws, Rules and Regulations to the Company.

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

- (i) the Secretarial Standards issued by The Institute of Company Secretaries of India ("ICSI");
- (ii) The Listing Agreement entered into by the Company with Stock Exchange(s).

To the best of our knowledge and belief, during the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- a) During the year under review, the Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
The committee of the Board is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and notes on agenda were sent adequately in advance as deem fit to the Board and adequate system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever applicable.

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

We further report that during the year;

- *The Company has not notified the pledging of securities by its promoter (Welspun Steel Limited) in favour of IDBI Trusteeship Services Ltd to stock exchange under Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015. However, the Company has filed all the necessary details of the said transaction with respective stock exchange under applicable provisions of SEBI (Substantial Acquisition and Takeover) Regulations, 2011;*
- *The Company has paid the penalty of Rs.50,000/-(Rs. Fifty Thousand Only) plus taxes levied by The BSE Ltd for late submission of Annual Report for the year ended March 31, 2019 (i.e. Covering letter was submitted and annual report was erroneously not added into the file uploaded);*

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- *The Company has paid the penalty of Rs.3,20,000 (Rs. Three Lacs Twenty Thousand Only) plus taxes levied by The BSE Ltd for Non Compliance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/ 2019/94 dated 19/08/2019: application for trading approval was made beyond 7 days from the date of listing approval due to delay in execution of corporate action by a depository;*
- *There was a delay in submission of Annual Secretarial Compliance Report for F.Y. 2018-19 by the Company.*

We further report that during the audit period, the following event has taken place in the Company;

- The Company has allotted 6,94,15,000 equity shares of Rs. 6 each at a premium of Rs. 6 per share upon exercise of 6,94,15,000 warrants carrying option to subscribe equity shares.
- The Company received approval from the Stock Exchange for reclassification of the Saraf Group and Widescreen Holdings Private Limited from the promoter category to the public category.
- The Company has redeemed;
 - 20,00,000 12% Cumulative Redeemable Preference Shares of Rs. 10 each at a premium of Rs. 25 per share;
 - 3,57,92,000 6.5% Redeemable Preference Shares of Rs. 10 each at par;
 - 6,52,00,000 Redeemable Preference Shares of Rs. 10 each at par
- The name of the Company has been changed from RMG Alloy Steel Limited to Welspun Specialty Solutions Limited pursuant to fresh certificate of incorporation issued by the Registrar of Companies, Gujarat dated 19th August, 2019.
- The Company has allotted 4,38,200 equity shares to the eligible employees under the RMG Alloy Steel Limited - Employees Stock Option (Senior Management Personnel) Plan 2018.

We further report that during the audit period, the Company has co-operated with us and have produced before us all the required forms information, clarifications, returns and other documents as required for the purpose of our audit.

For MIHEN HALANI & ASSOCIATES
Practicing Company Secretary

Date: 21.07.2020

Place: Mumbai

UDIN: F009926B000483861

Mihen Halani
(Proprietor)
CP No: 12015
FCS No:9926

Note: This report is to be read with our letter of even date which is annexed as “Annexure A” herewith and forms as integral part of this report.

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Annexure A

To,
The Members,
Welspun Specialty Solutions Limited (Formerly RMG Alloy Steel Limited)
CIN: L27100GJ1980PLC020358

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MIHEN HALANI & ASSOCIATES
Practicing Company Secretary

Date: 21.07.2020
Place: Mumbai
UDIN: F009926B000483861

Mihen Halani
(Proprietor)
CP No: 12015
FCS No:9926

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy

Welspun Specialty Solutions Limited (Erstwhile RMG Alloy Steel Limited) believes that for a company to succeed on a sustained basis, it must maintain global standards of corporate conduct towards its employees, shareholders, consumers and society.

The primary objective is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness.

2. Board of Directors

a. Composition and Category of directors:

Details of composition of the existing Board of Directors as on 31st March 2020 are given below:

Sr. No.	Name of Director	Category	No. of Shares Held	Attendance Particulars		No. of other Directorship (as last declared to the Company)			Member / Chairman in No. of Board/ Committees including other Companies (as last declared to the Company)@
				Last Annual General Meeting	Board Meeting	Pub.	Pvt.	Other Body Corporate	
1	Mr. Atul Desai	I	0	Yes	6/6	6	0	0	C-5, M-8
2	Mr. Anuj Burakia	E	492250	No	6/6	1	1	0	M-2
3	Mr. M. Narayana Rao	I	7789	No	4/6	5	0	0	C-1, M-4
4	Mr. Prakash Tatia	NE	428213	No	5/6	2	0	0	C-1
5	Mr. Balkrishan Goenka	P, C, NE	0	No	4/6	10	1	2	C-1, M-1
6	Ms. Amita Karia	I, W	0	No	5/6	3	1	1	M-3

@ Chairmanship/membership of the Audit Committee and the Share Transfer, Investors' Grievance and Stakeholders' Relationship Committee alone considered

Abbreviations:

P = Promoter, E = Executive Director, NE = Non Executive Director, I = Independent Non Executive, S = Shareholder, C = Chairman, M = Member, SI= Strategic Investor, NP=Nominee of promoter director W=Woman Director.

b. Number of Board Meetings held, dates on which Board Meetings held:

During the year 2019-20, the Board of Directors met six times on the following dates: 15.05.2019, 18.06.2019, 13.08.2019, 14.11.2019, 04.02.2020 and 11.02.2020.

In addition to the above, a meeting of the Independent Directors was held on March 17, 2020 pursuant to Section 149(8) read with Schedule V to the Companies Act, 2013 and Regulation 25(3)

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of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said meeting was attended by Mr. Atul Desai, Mr. Myneni Narayana Rao and Ms. Amita Karia.

It is confirmed that in the opinion of the board, the independent directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management. Further, there is no relationship between the directors inter-se.

The Board has identified skills/expertise/competence required in the context of its business(es) and sector(s) for the Board to function effectively viz. technical- manufacturing process, marketing and sales, finance, strategy, legal and compliance, research & development and human resource management.

The names of the listed entities where the person is a director and the category of directorship and matrix of the skills/expertise/competence identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board and directors who have such skills / expertise / competence. Details of current members of the Board is given below:

Name of the Director(s)		Core Skills/expertise/competence	Names of the listed entities where the person is a director	Category of Directorship	Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure (as applicable)
1	Mr. Balkrishan Goenka	Leading figure in textile, steel pipe, infrastructure development and steel industry, Business Management, Strategy, human resources management	Welspun India Limited, Welspun Enterprises Limited Welspun Corp Limited, Welspun Specialty Solutions Limited	Non-Independent	N.A.
2	Mr. Atul Desai	Legal- Litigation, Arbitration	AYM Syntex (Formerly known as Welspun Syntex Limited), JSW Holdings Limited, Welspun Investments and Commercials Limited, TCFC Finance Limited, Welspun Specialty Solutions Limited	Independent	N.A.
3	Mr. Prakash Tatia	Steel Industry- Marketing & Sales	Welspun Specialty Solutions Limited	Non-Independent	N.A.
4	Mr. Anuj Burakia	Steel and Steel Pipe Industry and Business Management, Strategy, finance	Welspun Specialty Solutions Limited	Non-Independent	N.A.
5	Mr. M. Narayana Rao	Renound Metallurgist, alloy steel and Business Management, technical – manufacturing process, research & development	Avantel Limited, Welspun Specialty Solutions Limited, Chennai Petroleum Corporation Limited	Independent	N.A.
6	Ms. Amita Karia	Corporate Laws, Corporate Governance and Compliance	Welspun Specialty Solutions Limited	Independent	N.A.

- c. A copy of familiarization policy of the company for independent directors is available on the website of the company www.welspunspecialty.com.

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3. AUDIT COMMITTEE

Terms of reference:

The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

Composition (as on March 31, 2020):

The Audit Committee consists of the following 4 Non-Executive Directors as on 31.03.2020.

Mr. Atul Desai	Chairman (Independent)
Mr. M. Narayana Rao	Member (Independent)
Ms. Amita Karia	Member (Independent)
Mr. Anuj Burakia	Member (Non- Independent)

The Company Secretary of the Company, Ms. Rashmi Mamtura acts as the Secretary of the Committee.

Meetings and attendance during the year:

Four meetings of Audit Committee of the Board of Directors were held, viz, 15.05.2019, 13.08.2019, 14.11.2019 and 11.02.2020. The details of Attendance of Members of Audit Committee are as follows:

Sr. No.	Name of the Member	Designation	Number of Meetings Attended (01/04/2019 to 31/03/2020)
1	Mr. Atul Desai	Chairman	4/4
2	Mr. M. Narayana Rao	Member	4/4
3	Ms. Amita Karia	Member	3/4
4	Mr. Anuj Burakia	Member	4/4

None of recommendations made by the Audit Committee were rejected by the Board.

4. NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference

To recommend appointment of, and remuneration to, Managerial Personnel and review thereof from time to time.

Composition (as on March 31, 2020) and attendance during the year:

The Committee comprises of 3 independent and 1 non-executive directors as on date of this Report as listed below. The details of Attendance of Members of Nomination and Remuneration Committee are as follows:

Sr. No.	Name of the Member	Designation	Number of Meetings Attended (01/04/2019 to 31/03/2020)
1	Mr. Atul Desai	Chairman	5/5
2	Mr. Amita Karia	Member	4/5
3	Mr. B. K. Goenka	Member	4/5
4	Mr. M. Narayana Rao	Member	5/5

The Company had constituted the Nomination and Remuneration Committee consisting of nonexecutive directors majority of which are independent directors. During the year under

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review, five meetings of the Committee were held on 01.04.2019, 15.05.2019, 13.08.2019, 14.11.2019 and 11.02.2020.

None of recommendations made by the Nomination and Remuneration Committee were rejected by the Board.

Nomination and Remuneration Policy:

The Company follows a policy on remuneration of directors and senior management employees and the salient features thereof are as under:

Appointment of Directors:

- While identifying persons who may be appointed as a director(s), the Committee shall consider business of the Company, strength, weakness, opportunity and threat to Company's business, existing composition of the board of directors, diversity, skills, expertise of existing directors and background, skills, expertise, reputation and qualification possessed by the person being considered, specific requirements under the Act, SEBI Regulations, 2015 and any other laws as applicable.
- While identifying persons who may be appointed as independent directors, the Committee shall review their qualifications and suitability to ensure that such candidates will be able to function as directors 'Independently' and void of any conflict of interest, obligations, pressure from other Board members, KMPs, senior management and other persons associated with the Company.

Remuneration of Directors, Key Managerial Personnel, Senior Management Personnel:

- The Non-Executive Directors including independent directors may receive remuneration by way of fees for attending meetings of Board or Committee thereof provided that the amount of such fees shall not exceed Rs. 100,000 per meeting to each independent director of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- The Non-Executive Directors shall not be eligible for any remuneration / commission, unless specifically approved by the Board of Directors on recommendation of the Nomination and Remuneration Committee and by the shareholders. There are no pecuniary transactions entered by the Non-Executive Directors with the Company.

The remuneration to Executive Directors, Key Managerial Personnel and Senior Management Personnel at the time of appointment shall be mutually agreed. The Committee shall consider industry indicators, requirements of role, qualification and experience of candidate, expected contribution of executive to the profitability challenges specific to the Company and such other matters as the Committee may deem fit. The remuneration must motivate individuals to achieve benchmarks which must be aligned to the vision of the Company. The management shall periodically find out the remuneration scale prevalent in the industry / peer group to the extent possible to assess if there is a need for revision in remuneration for retaining the talent. The non-executive Directors may be paid commission after complying with required provisions of the Act. Besides, the Committee shall take into consideration performance, of the concerned executive as well as the Company, the growth of business, profitability, Company's business plan and critical role played / initiatives taken while considering pay hike / increment to the concerned executives.

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The Policy is available on your Company's website at: www.welspunspecialty.com

5. REMUNERATION OF DIRECTORS:

➤ Remuneration to Whole time Director:

Details pursuant to Schedule V of the Companies Act, 2013 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr No.	Particulars	Mr. Anuj Burakia, Whole Time Director
1.	Salary	NIL
2.	Commission	NIL
3.	Service Contract	July 29, 2018 to July 28, 2021
4.	Notice Period	1 month
5.	Severance Fees	1 month compensation in lieu of notice period
6.	Stock Options	835,000*
7.	Exercise Price	Nil
* Please refer to the section of Directors' Report dealing with RMG Alloy Steel Ltd Employee Stock Options (Senior Management Personnel) Scheme 2018 for further details.		

➤ Remuneration to Non-Executive Directors:

Payments made to Non-Executive Directors during the period ended March 31, 2020 are as follows:

Sr. No.	Particulars of Remuneration	Name of Directors			Total amount
		Amita Karia	Atul Desai	M. Narayana Rao	
1	Independent Directors				
	Fee for attending Board & Committee meetings	116000	180000	142000	438000
	Commission	-	-	-	-
	Others	-	-	-	-
	Total (1)	116000	180000	142000	438000
Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount	
		Balkrishan Goenka	Prakash Tatia		
2	Other Non-Executive Directors				
	Fee for attending Board & Committee meetings	-	-	-	
	Commission	-	-	-	
	Others	-	-	-	
	Total (2)	-	-	-	
	Total (B) = (1 + 2)	438000			

6. BOARD EVALUATION:

The evaluation process was led by the Chairman of the Nomination and Remuneration Committee with specific focus on the performance vis à vis the plans, meeting challenging situations, performing leadership role within and effective functioning of the Board. The evaluation process invited through IT enabled platform graded responses to a structured

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questionnaire for each aspect of evaluation viz. time spent by each of the directors, accomplishment of specific responsibilities and expertise, conflict of interest, integrity of the Director, active participation and contribution during discussions.

7. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee, in accordance with the Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to look into various aspects of interest of shareholders and other security holders.

Terms of Reference:

The terms of reference of the Committee are as contained under Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Other details:

- a) Composition (as on March 31, 2020) and details of attendance of members of the Committee are as follows:

Sr. No.	Name of the Member	Designation	Number of Meetings Attended (01/04/2019 to 31/03/2020)
1.	Mr. Atul Desai (Non Executive)	Chairman	4/4
2.	Mr. Anuj Burakia (Executive)	Member	4/4
3.	Ms. Amita Karia (Non Executive)	Member	4/4

- b) Name and designation of compliance officer: Ms. Rashmi Mamtura
- c) No. of meetings held:
Four meetings of Stakeholders Relationship Committee were held, viz, 15.05.2019, 13.08.2019, 14.11.2019 and 11.02.2020.
- d) Number of shareholders complaints/ requests received so far during the year:
During the year under review, total one Investors complaints were received. Break up and number of complaints received under different category is given hereunder:

Sr. no.	Category	Nos.
1	BSE Complaint	1
2	Legal Cases / Court Cases	0
3	Non Receipt Of Demat Rejection Documents	5
4	Non Receipt Of exchange Share Certificate	9
5	SEBI	4
	Total Complaints Received	19

All the complaints/ requests received during the year under report were resolved within the time limit to the satisfaction of the investors/ shareholders.

- e) Number of complaints not solved to the satisfaction of shareholders: Nil
- f) Number of pending complaints: Nil

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8. GENERAL BODY MEETINGS:

(i) The details of General Meetings held in the last three years are given hereunder:

Date	Type of meeting	Location	Time	Special Resolutions Passed
26.09.2017	Annual General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	12.30 PM	i. Alteration of Article 3 of the Articles of Association regarding authorized share capital of the Company ii. To issue and allot upto 3,00,00,000 12% Redeemable Preference shares of Rs.10 each aggregating to Rs.30,00,00,000/- (Rupees Thirty Crore Only) in one or more tranches to the Promoter/Co-promoter/Strategic Investor/associate companies of promoter/ co-promoter/ Strategic Investor
27.03.2018	Extra Ordinary General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	12.30 PM	i. For issue and allotment of 37,50,00,000 securities to promoters and investors and conversion of 3,00,00,000 12% Redeemable Cumulative Preference Shares of Rs.10 each fully paid up into equity shares 3,00,00,000 Redeemable Preference Shares of Rs.10 each. ii. Approval of RMG Alloy Steel Limited – Employees Stock Option Plan 2018 to create, offer and grant from time to time 1,20,00,000 (One Crore Twenty Lakhs) Options, each Option giving the right but not obligation to the holder to opt for one fully paid-up Equity Share in the Company of face value of Rs 6/- each fully paid up at the exercise price being the price at 20% discount to the closing market price on BSE on the day preceding the date of grant of Option, in one or more tranches, and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the RMG ESOP SCHEME 2018 and in due compliance with the applicable laws and regulations in force
15.05.2018	Extra Ordinary General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	12.30 PM	i. For issue and allotment of 238,258,324 equity shares of Rs.6/- each fully paid up and 69,415,000 warrants carrying option to subscribe (in the ratio of 1:1) at a minimum price of Rs.12/- per equity. ii. Approval of modification of RMG Alloy Steel Limited – Employees Stock Option Plan 2018 in respect of number of options to reduce from 1,20,00,000 (One Crore Twenty Lakhs) options to 1,00,00,000 (One Crore Lakhs) options at a discount of 30%. iii. Approval of RMG Alloy Steel Limited – Employees Stock Option (Senior Management Personnel) Scheme 2018 to create, offer and grant from time to time 20,00,000 (Twenty Lakhs) Options, each Option giving the right but not obligation to the holder to opt for one fully paid-up Equity Share in the Company of face value of Rs 6/- each fully paid up at Nil exercise price, in one or more tranches, and on such terms and conditions, as may be

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				determined by the Board in accordance with the provisions of the RMG ESOP (SMP) SCHEME 2018 and in due compliance with the applicable laws and regulations in force
24.09.2018	Annual General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	12.30 PM	i. Re-appointment of Mr. Anuj Burakia as Whole Time Director for 3 years w.e.f. July 29, 2018 ii. Authority to borrow within a limit of Rs.300 Crore pursuant to Section 180(1)(c) of the Act. iii. Authority to create encumbrance on the assets of the Company, to secure borrowings, within a limit of Rs.300 Crore pursuant to Section 180(1)(a) of the Act. iv. Authority to secured/ unsecured, redeemable, Non-Convertible Debentures (NCDs) on Private Placement basis, in domestic and/or international market, aggregating up to an amount not exceeding Rs. 300 crores (Rupees Three Hundred crores only) within the limit approved pursuant to Section 180(1)(c) of the Act. v. Declassification of Saraf Group viz. Mr. Rajendra Saraf and others as public shareholders pursuant to Regulation 31A of the SEBI (LODR) Regulations. vi. Declassification of Widescreen Holdings Private Limited as public shareholder pursuant to Regulation 31A of the SEBI (LODR) Regulations
31.01.2019	Extra Ordinary General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	12.30 PM	i. For issue and allotment of 24,250,000 Redeemable Preference shares of Rs.10/- each aggregating to Rs.242,500,000/- (Rupees Twenty Four Crore Twenty Five Lakh Only). ii. For issue and allotment of upto 38,974,352 equity shares of Rs.6/- each fully paid up and upto 33,287,177 warrants carrying option to subscribe (in the ratio of one equity share for one warrant) to 33,287,177 equity shares of Rs.6/- each fully paid up of the Company, to the proposed allottees respectively named in the table given below at a price of Rs.23.40/- per equity share. iii. Approval to create, offer, issue and allot such number of equity shares of Rs.6/- fully paid up as may be required to be issued and allotted upon exercise of an option, to convert, as a term attached to the debentures issued or loan raised by the company shares of the company, at such price and on such terms and conditions as may be agreed to by the Board of Directors
26.07.2019	Annual General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	9:00 AM	i. Appointment of Mr. Atul Desai as an Independent Director for the Second Term of five years w.e.f. 27.05.2019. ii. Approval of remuneration to Mr. Anuj Burakia (Whole Time Director) by way of 835,000 ESOPs. iii. Change of name of the Company from RMG Alloy Steel Ltd to Welspun Specialty

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				Solutions Ltd. iv. Approval of modification in terms of 35,792,000 6.5% Redeemable Preference Shares of Rs.10 each by change in tenor from present "15 months from the date of allotment" to "18 months from the date of allotment". v. Approval of material related party transactions with Welspun Steel Ltd.
30.08.2019	Extra Ordinary General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	9:00 AM	i. Reclassification of Authorized Share Capital ii. Approval of issue and allotment of upto 724,61,326 equity shares of Rs.6/- each fully paid up and upto 402,66,666 warrants carrying option to subscribe (in the ratio of one equity share for one warrant) to 402,66,666 equity shares of Rs.6/- each fully paid up of the Company at a price of Rs.15/- per equity Share, on preferential basis.

(ii) During the year under Report, resolutions which were passed through postal ballot are as follows:

Details of voting pattern on the resolutions, proposed through the postal ballot on December 9, 2019 is as under:

Sr. No.	Resolution	Type of Resolution	No. of votes polled	No. of votes in favour	No. of votes against	% of votes in favour	% of votes against	Scrutinizer
1	Ratification of revised/ correct Ultimate Beneficial Interest / holding in the post issue capital of the Company (%) of Sr. No. 7 of clause (6) and clause (10) of the explanatory statement for Resolution No.2 of the notice of extra ordinary general meeting held on August 30, 2019	Special	207462505	207462475	30	100.0000	0.0000	Mr. Mihe Halani of M/s. Mihe Halani & Associate, Practicing Company Secretary
2	approval of modification in terms of 35,792,000 6.5% Redeemable Preference Shares of Rs.10 each by change in tenor from present 18 months from the date of allotment to upto 21 months from the date of allotment.	Special	207462505	207462375	130	99.9999	0.0001	

Procedure for postal ballot:

Procedure as given in Rule 22 of the Companies (Management and Administration) Rules, 2014 was followed. The postal ballot and all other papers relating to postal ballot including voting by

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electronic means, remained under the safe custody of the scrutinizer till the Chairman considered, approved and signed the minutes and thereafter, the scrutinizer returned the ballot papers and other related papers and register to the Company for preservation. The results of the postal ballot were declared by hosting it, along with the scrutinizer's report, on the website of the Company.

(iii) No special resolution is proposed to be conducted through postal ballot

9. MEANS OF COMMUNICATION

Quarterly results and newspapers wherein results normally published:

The Board of Directors of the Company approved the audited financial results for the year ended 31.03.2020, unaudited financial results for quarter ended 30.06.2019, 30.09.2019 and 31.12.2019 in their quarterly meetings and the same were normally published in Financial Express (English+Gujarati), Ahmedabad edition within 48 hours from the date of Board meetings.

The said financial results were also displayed on the website of the company at www.welspunspecialty.com

10. GENERAL SHAREHOLDER INFORMATION:

The next Annual General Meeting shall be held at –

- (i) Day and Date Friday, September 11, 2020
 Venue Through Video Conferencing/ other audio visual Mode
 Time 11.30 A.M.
- (ii) Financial year from 1st April 2019 to 31st March 2020
- (iii) Record Date Friday, September 4, 2020
- (iv) Dividend payment date: No dividend has been declared for the financial year 2019-20.
- (v) Listing on Stock Exchanges and Stock code
 The securities of the Company are listed on the BSE Limited (Scrip code – 500365) (ISIN: INE731F01037)
 The Company has paid listing fee to the Bombay Stock Exchange Limited.
- (vi) Market Price Data High Low Quotations during each month in last financial year i.e from 1st April 2019 to 31st March 2020 and performance in comparison to broad based indices such as BSE SENSEX is as follows:

Month	Market Price		Sensex	
	High	Low	High	Low
Apr 19	19.75	14.16	39487.45	38460.25
May 19	16.8	13	40124.96	36956.1
Jun 19	15.95	11.8	40312.07	38870.96
Jul 19	14.19	7.6	40032.41	37128.26
Aug 19	11.55	9.43	37807.55	36102.35
Sep 19	13.3	9.63	39441.12	35987.8
Oct 19	12.88	10	40392.22	37415.83
Nov 19	12.34	9	41163.79	40014.23

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Dec 19	11.19	8.61	41809.96	40135.37
Jan 20	11.5	9.51	42273.87	40476.55
Feb 20	10.85	8.39	41709.3	38219.97
Mar 20	9.49	3.75	39083.17	25638.9

(vii) Registrar and Transfer Agent:

The transfer of shares of the Company are being done by Bigshare Services Pvt. Ltd., the R & T Agent, having address at Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis, Next to Keys Hotel, Marol Maroshi Road, Andheri (East), Mumbai – 400059.

Contact person:

Mr. Jibu John, DGM (Department General Manager)/ Mr. Vinod Yadav, Client Executive

Tel: 91226263 8200/ 22/ 23

Fax: 91226263 8261

Email: vinod.y@bigshareonline.com

(viii) Share Transfer System:

The Company's Registrar and Transfer Agent registers shares received from the shareholders for transfer in physical form within 15 days from the receipt of the documents, if the same are found in order. Transfer documents under objection are returned within two weeks. However, upon notification of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 dated June 8, 2018, no shares shall be transferred in physical mode.

(ix) Distribution of shareholding of equity shares as on March 31, 2020 is as follows:

Sr No	Shareholding Of Nominal Value (Rs.)	Number Of Shareholders	% To Total	No. of Shares	% To Total
1	1 - 500	77002	96.7131	2128663	0.4353
2	501 - 1000	861	1.0814	724332	0.1481
3	1001 - 2000	515	0.6468	814012	0.1665
4	2001 - 3000	267	0.3353	687743	0.1406
5	3001 - 4000	102	0.1281	369678	0.0756
6	4001 - 5000	187	0.2349	903725	0.1848
7	5001 - 10000	225	0.2826	1698701	0.3474
8	10001 - 9999999999	460	0.5778	481681836	98.5017
TOTAL		79619	100.0000	489008690	100.0000

(x) Dematerialisation of shares and liquidity: 488037132 equity shares constituting 99.80% of the outstanding equity shares are in demat form as on 31.03.2020 and have reasonable liquidity on the BSE Limited.

(xi) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and impact on equity: 40,266,666 warrants, having option to convert into equal number of equity shares, were outstanding on 31.03.2020 and converted into 40,266,666 equity shares on 30.05.2020.

(xii) Disclosure of commodity price risks and commodity hedging activities.

Detail of commodity price risks and commodity hedging activities as required under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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- Risk management policy of the listed entity with respect to commodities including through hedging: The Company proactively manages price fluctuation risks and in case of input steel, it uses forward booking, inventory management and pre-emptive vendor development practices.
- Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:
 - a. Total exposure of the listed entity to commodities is Rs.17,159 Lacs.
 - b. Exposure of the listed entity to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Scrap	11,331	26,267	-	-	-	-	-
DRI	2,635	11,934	-	-	-	-	-
Ferro Alloys	3,192	1,765	-	-	-	-	-

- Commodity risks faced by the listed entity during the year and how they have been managed.

Alloy Business:

Above inputs i.e steel scrap and DRI (our key raw material) are only used for steel making purpose, hence having good, co-relation factor. In other words price movement of these inputs v/s our final steel products moves in same tandem, with some time lag is possible. Accordingly, to good extent, indirect natural hedging takes place. In addition, our final products are produced against the order from buyer / OEM, wherein we have understanding that any increase or decrease in above key inputs will be taken care in the product price on periodical basis, which, presently is 6 month basis.

Stainless Steel and Stainless Steel Pipe / Tube Business:

-SS Seamless Pipes & Tubes is not a commodity but engineering product which is having stringent requirements in key sectors like 'Oil & Gas, Power (including nuclear), Defense, aviation, chemical, sugar industries etc.

-Basis end user's requirement (including technical specifications) back to back prevailing key raw material prices are taken in the costing with proper margin for any fluctuations while submitting the bid to the buyer. Once offer converts into the order, immediately back to back raw material is covered to minimize any risk on price or even availability. Also majority of pipe Business orders are having well protected LD clauses.

Also refer to the Management Discussion and Analysis forming part of this Annual Report.

(xiii) Plant Location: Plot no.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist – Bharuch, Gujarat 393110

(xiv) Address for Correspondence :Plot no.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist – Bharuch, Gujarat 393110.
Tel No. +91 22 6613 6000, Fax No.:+91 22 2490 8020

(xv) Email Id : companysecretary_wssl@welspun.com

(xvi) Website : www.welspunspecialty.com

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(xvii) Credit Ratings :

(i) India Ratings & Research (Fitch Group)

- a. For term loans and fund based working capital limits: IND BBB-
- b. For non-fund based working capital limits: IND A3

(ii) Brickwork Rating India Private Limited

- a. For term loans and fund based working capital limits: BWR BBB+(CE)
- b. For non-fund based working capital limits: BWR A3+(CE)

11. OTHER DISCLOSURES

i. Related Party Transactions

- Transactions with related parties are disclosed in Note No.36 of the Notes forming part of the financial statements. None of these are in conflict with the interests of the Company.
- The Company's policy on dealing with Related Party Transactions as required under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed on the Company's website and a web link thereto is as under:
<http://www.welspunspecialty.com/pdf/policy/7.pdf>

ii. Details of noncompliance by the Company, penalties, strictures imposed on the company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital market during the last 3 years:

- The time limit given by BIFR for reducing stake of non-public shareholders to 75% expired on February 6, 2016. However, as the Company is having huge accumulated losses and the non-public shareholders were waiting for the rise in demand by public for shares of the Company, the increase of public shareholding was delayed. Thereafter, in April 2018, a constituent of promoters' group viz. Widescreen Holdings Private Limited made offer for sale of 12,791,980 Equity Shares through the Stock Exchange Mechanism through BSE Ltd and successfully offloaded entire quantity of shares offered. Accordingly, the Company has achieved minimum public shareholding at 25% in accordance with the mechanism permitted under SEBI Circular dated 22nd February, 2018.
- Penalty of Rs.50,000 plus taxes was paid for late Submission of Annual Report for the year ended March 2019 under Regulation 34. There was no intentional delayed submission, covering letter was submitted and annual report was erroneously not added into the file uploaded.
- Penalty of Rs.3,20,000 plus taxes was paid for non compliance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/ 2019/94 dated 19/08/2019. Application for trading approval was made beyond 7 days from the date of listing approval due to delay in execution of corporate action by a depository.
- Please refer Annexure III (Secretarial Audit Report) for the details of other non-compliance during FY 2019-20.

iii. Vigil Mechanism and Whistle Blower Policy:

The Company has a Whistle Blower Policy and Vigil Mechanism for its directors and employees and no personnel have been denied access to the Audit Committee Chairman. A copy of the policy is displayed on the website of the Company at:
<http://www.welspunspecialty.com/pdf/policy/9.pdf>

iv. Utilization of funds: this matter has been discussed at length in the Directors' Report.

v. a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of

(Formerly known as RMG Alloy Steel Limited)

companies by the Board/Ministry of Corporate Affairs or any such statutory authority is enclosed herewith as **Annexure VI**.

- vi. Fees paid to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

Particulars	Amount (Rs.)
Paid to Statutory Auditors	
Statutory Audit	8.5 Lakh
Income Tax Audit	1.5 Lakh
Certification Fees	1 Lakh
To other entities in the same network	Nil
Total	11 Lakh

- vii. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- number of complaints filed during the financial year : Nil
- number of complaints disposed of during the financial year : Not Applicable
- number of complaints pending as on end of the financial year : Nil

- viii. The Company is in compliance with the mandatory requirements mentioned under Regulation 27(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable and in addition the Company at its discretion adopted requirements mentioned at "(C) Modified Opinion(s) in Audit Report", and "(E) Reporting of Internal Auditor" of Part "E" of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- ix. The Company is in compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46.
- x. **Code of Conduct –**

The Company has framed the Code of Conduct policy for Board members and Senior Management Personnel. A copy of the Code has been hosted on the Company's website, a web link thereto is:

<http://www.welspunspecialty.com/pdf/policy/12.pdf>

All Board members and senior management personnel have affirmed compliance of the same.

A declaration signed by the Whole Time Director of the Company with respect to Compliance of Code of Conduct is given below:

"I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year 2019-20.

Sd/

Anuj Burakia

Whole Time Director"

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xi. Disclosure of Shares held in suspense account under Clause F of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year		Number of shareholders who approached issuer for transfer of shares from suspense account during the year		Number of shareholders to whom shares were transferred from suspense account during the year		Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	
No of Shares	No of Holders	No of Shares	No of Holders	No of Shares	No of Holders	No of Shares	No of Holders
120690	7411	360	11	360	11	120330	7400

The voting rights on these shares shall remain frozen until the shares have been claimed by, and transferred to, the rightful owner.

Mihen Halani & Associates
Practicing Company Secretaries

32,1st Floor, Shantinath Shopping Centre, Near Aditi Restaurant, S.V. Road,
Malad (West), Mumbai – 400 064, (: 022 – 6236 0279 :: mihenhalani@gmail.com

Certificate of Practicing Company Secretary on Corporate Governance Report

To
The Members of Welspun Specialty Solutions Limited
(Formerly RMG Alloy Steel Limited)
CIN: L27100GJ1980PLC020358

We have examined the compliance of conditions of Corporate Governance by Welspun Specialty Solutions Limited (Formerly RMG Alloy Steel Limited) (“the Company”), for the year ended on March 31, 2020, as stipulated in Clause E of Schedule V of the SEBI (LODR) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations as given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Regulations.

We state that in respect of investor’s grievance received during the year ended March 31, 2020, the Registrar and Transfer Agent of the Company have certified that as at March 31, 2020, there were no investors’ grievances remaining unattended/pending to the satisfaction of the investor.

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

For MIHEN HALANI & ASSOCIATES
Practicing Company Secretary

Place: Mumbai
Date: 21.07.2020
UDIN: F009926B000483850

Mihen Halani
(Proprietor)
CP No: 12015
FCS No: 9926

Mihen Halani & Associates

Practicing Company Secretaries

32,1st Floor, Shantinath Shopping Centre, Near Aditi Restaurant, S.V. Road,
Malad (West), Mumbai – 400 064, : 022 – 6236 0279 ☐: mihenhalani@gmail.com

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of Welspun Specialty Solutions Limited
(Formerly RMG Alloy Steel Limited)
CIN: L27100GJ1980PLC020358

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Welspun Specialty Solutions Limited (Formerly RMG Alloy Steel Limited) having CIN: L27100GJ1980PLC020358 and having registered office at Plot No. 1, GIDC Industrial Estate, Valia Road, Jhagadia Dist, Bharuch – 392 001, Gujarat (hereinafter referred to as “the Company”), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

For MIHEN HALANI & ASSOCIATES
Practicing Company Secretary

Place: Mumbai
Date: 21.07.2020
UDIN: F009926B000483872

Mihen Halani
(Proprietor)
CP No: 12015
FCS No: 9926

MANAGEMENT AND DISCUSSION ANALYSIS

Overall Steel Sector outlook:

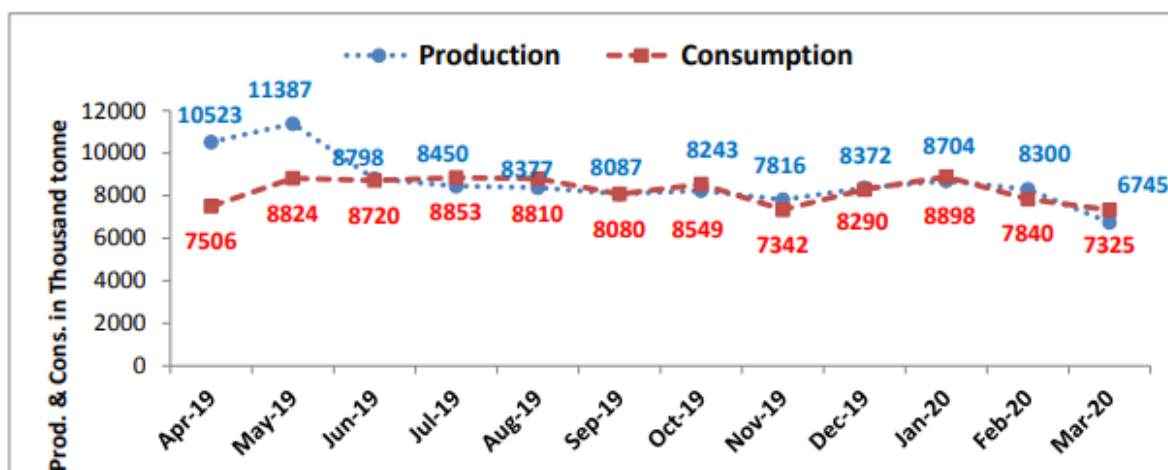
Metals have been one of the core drivers of industrialisation. Among metals, steel has historically held a dominant position. As a raw material and intermediate product, production and consumption of steel are widely regarded as indicators of economic progress.

India is the world's second-largest steel producer with production standing at 109 MT in FY 2020. Steel industry contributes slightly more than 2% to the GDP of the country. India is also the third largest finished steel consumer in the world and is likely to surpass US to become the second largest. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. The output effect of steel on Indian economy is approximately 1.4x with an employment multiplier of 6.8x. India's steel production capacity has expanded rapidly over the past few years, from 59.84 million tonnes in FY08 to 138 million tones in FY2020. Steel consumption significantly depends on the overall performance of the economy (GDP) and more specifically on investments made in infrastructure like railways, ports, roads, airports and housing. Steel is also used in the production of capital goods and automobiles.

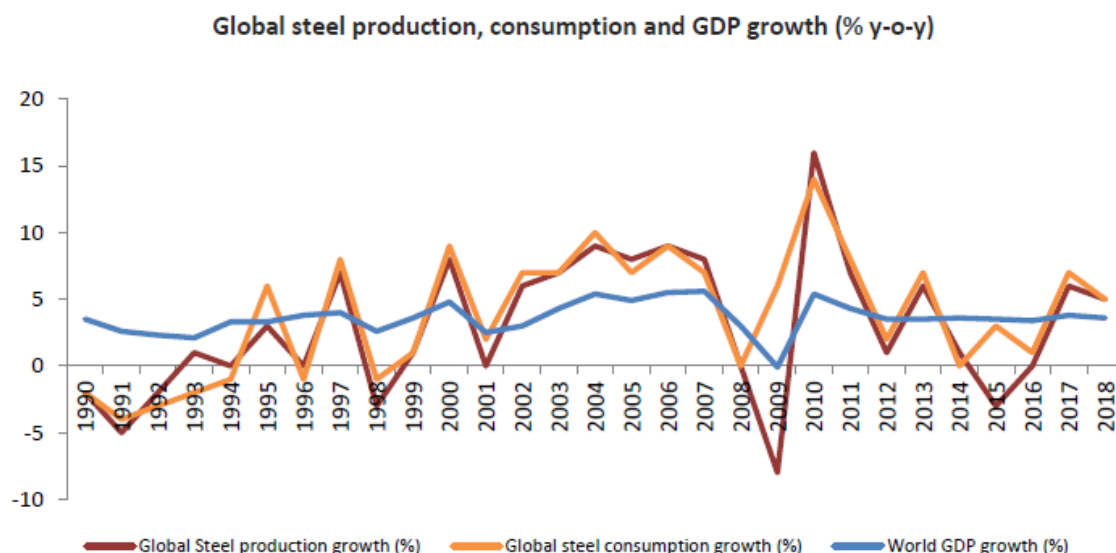
Production & Consumption of Steel during 2019-20:

- Production during FY 2020 stood at 108.50 MT. India's share in world crude steel production remained at around 6%.

Graph No. 1: Production and consumption of Finished Steel:



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The above chart illustrates that broadly a positive economic growth rate is accompanied by a growth of crude steel production in the same sense and vice versa. At the global level 3.6% growth in GDP for the period of around three decades was associated with 3% growth in steel consumption.

Challenges faced by Indian Steel sector in Financial Year 2020

While the month of March 2020 witnessed the onset of COVID-19 and the lockdown in the latter half, overall it witnessed a bleak situation for steel sector as a whole. The production, Consumption and export-import got reduced. The only positive side was increase in mining operations and exports of iron ore and pellets. For the major part of financial year, Indian economic growth was subdued due to slow down in sectors like capital goods, consumer durables, infrastructure and construction sectors primarily steel intensive sectors. This adversely affected the steel demand. Consequently, steel demand and prices witnessed a steady decline and reached at bottom in September 2020.

The market demand started an upward trend from mid November 2019 onwards after the end of monsoon and festive season. The market exhibited steady demand in the following two months. The onset of COVID-19 pandemic however, severely affected the steel industry in India by impacting its labour force and supply chain, both domestically and globally. The major impact of COVID-19 on steel industry was evident from the second fortnight of March 2020. On the whole, during FY 20, performance of steel Industry was a combination of overall muted demand from steel intensive sectors, especially, from construction & automobile sector, global trade actions, extended monsoon, currency depreciation in major steel exporting countries, fall in steel prices globally and impact of COVID-19.

Source: Monthly Summary on Iron & Steel, March 2020 (GOI), Indian Steel Industry Report January 2020, IBEF and Global and Indian Steel Industry, CARE Ratings

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Few landmark policies /steps rolled out / taken by government to boost domestic steel industry:

National Steel Policy 2017:

National Steel Policy 2017 aims to develop a globally competitive steel industry by enhancing the steelmaking capacity to 300 million tonnes by 2030. The current capacity is 138 million tonnes. This will be achieved by increasing the contribution from the IAF/EAF route to about 35-40%.

Policy on Preference to Domestically Manufactured Iron & Steel Products:

Further in order to protect the domestic industry from imports to meet the accelerated demand growth, the government has announced another policy which provides preference to domestically manufactured iron & steel products for government procurement with immediate effect. This policy excludes procurement of grades of steel not manufactured in India or where demand cannot be met through domestic sources.

Steel Scrapage Policy:

In the National Steel Policy-2017, the importance of scrap was realised. This Scrap Policy only furthers the role envisaged in the NSP-2017 to ensure scrap segregation (quality wise), collection, processing and recycling. The policy is to provide a framework for carrying out the activities in a scientific manner to have assured and regular supply of processed scrap for the downstream industry.

Outlook:

Indian Steel demand not likely to resume before third quarter

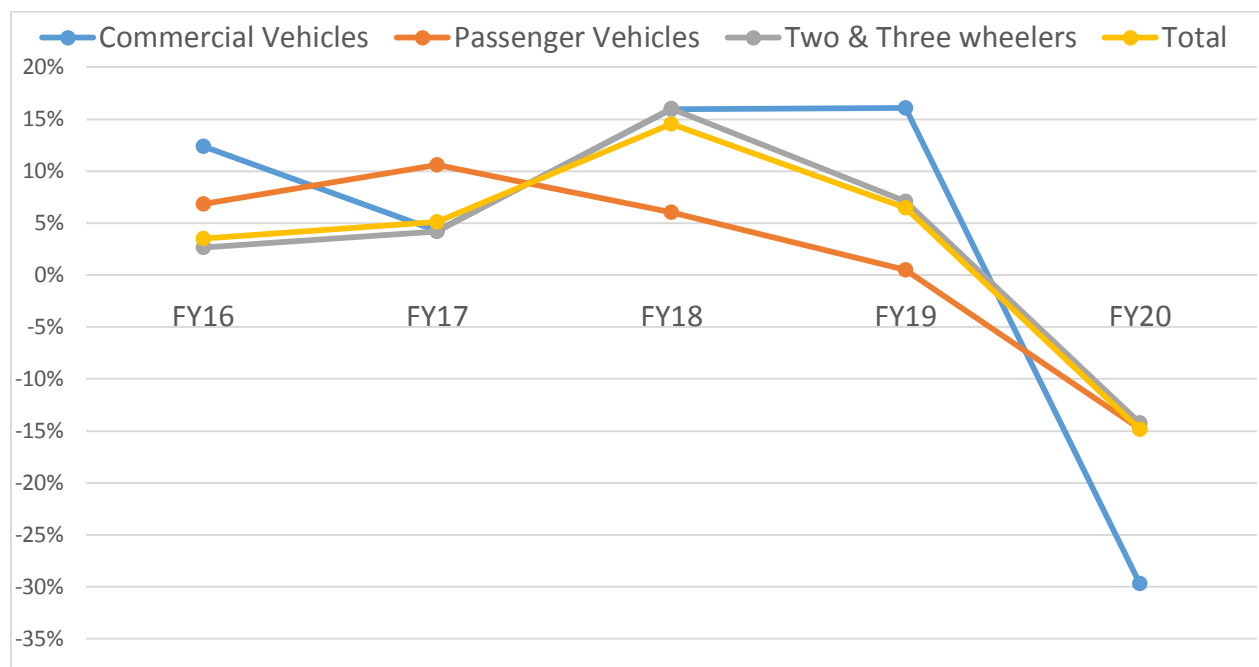
The coronavirus (COVID-19) outbreak is causing widespread concern and economic hardship for consumers, businesses and communities across the globe. The steel demand has been reduced drastically and it is probably not going to come back to normalcy before end of H1 of the upcoming financial year of 2020-21. It means the industry may have to brace for a six-month disruption in demand from the present juncture. Both the construction and auto sectors together account for 70-75% of steel consumption. If this huge percentage of demand remains muted for the time being then, obviously, the steel industry could be bracing for somewhat uneasy times ahead.

Automobile Industry:

Auto sales decline by a sharp 42% y-o-y in March 2020, registering a decline of about 15% in FY20 led by factors such as increased insurance costs, uneven monsoon, high ownership costs, curtailed lending by the NBFC segment, weak festival demand, weak consumer sentiments and the spread of Covid-19 in the country. The sales decline during the period was largely on account of weak demand for commercial vehicles that recorded a sharp decline of over 86% followed by about 50% decline in passenger vehicles segment. Price hikes of about 10-15% in passenger vehicles and two wheeler segments due to new safety norms starting April 1, 2019, higher insurance costs and unsold inventories at retail (dealers) level causing slow movement in wholesale movement led to the overall decline of automobile sales. Liquidity crisis in the NBFC sector and increased load carrying capacity for M&HCVs impacted the CV sales. Furthermore, the country-wide lockdown announced in March 2020 to curtail the spread of the corona virus further weighed down on the sales.

Below chart represents Y-o-Y Sales of different segments and Total Auto Industry:

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Source: Automobile Industry Update: FY20 by CARE Ratings

WSSL Business Update:

During the year, the company has completed substantial part of the project for building capability and installing new plant & machinery to produce stainless steel products under its ongoing plans of diversifying company's product portfolio from lower value to high value offerings. With the successful commissioning and stabilization of Stainless Steel pipes & tubes facility, the company has decided to focus on high-value and niche sector. In the process, the company is evaluating downsizing low value / non-remunerative products like alloy steel, due to challenges faced by automotive and other related sectors, and is taking preparatory steps towards the same in consultation with stakeholders. Such steps would include, inter-alia, rationalization of resources and of certain capacity utilization as necessary. With these actions, there would be a cost rationalization and re-alignment of sales in niche segments.

Alloy Steel:

The demand for Alloy Steel continued to be subdued due to lower off-take from the Auto segment which is the major demand driver.

- According to the data released by SIAM, the overall auto market remained subdued and industry sales dipped by 15% in FY2020, which is the steepest decline in the last two decades.
- SIAM expects the fortunes of the auto industry to improve with the focus on incentivizing the Commercial Vehicle market through scrappage policy. Government's thrust on development of Infrastructure is also expected to boost demand for off-road vehicles.

For Alloy steel however outlook continues to be challenging in the near term, especially for electric arc furnace based steel plants. This is on account of poor demand coupled with higher costs vis-à-vis blast furnace units.

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Stainless Steel (SS):

- Stainless steel market environment continues to be challenging in the domestic market.
- The bulk of the demand in long products is export driven. India has exhausted its export quotas to Europe in this segment which has affected overseas demand. The quota restrictions are expected to continue till H1FY21.
- During the period, the Company has developed critical grades like Duplex and Super Duplex which were largely imported into the country.

Stainless Steel Seamless Pipes & Tubes:

- Demand environment looks promising both in the short term as well as long term, hence the company has decided to intensify its focus on this segment going forward.
- The Company has received approvals from several marquee clients and is in the process of obtaining approvals from several other clients.
- Volumes are expected to ramp up in FY2021 as clients increase order size post approvals

A. SEGMENT WISE AND PRODUCT WISE PERFORMANCE

Product wise performance is given in Directors' Report under the heading 'Operations'.

B. FUTURISTIC STATEMENT

Company's performance as expressed or implied could differ materially due to economic conditions affecting demand/supply and price condition in the domestic & overseas markets, changes in the Government regulations, tax laws & other incidental factors.

C. RISKS & CONCERNS

Risk is integral to any business. The Company has evolved a proper governance to identify and access potential risks and also formulate appropriate mitigation plans as under –

- **Rising input cost** – Identifying alternative sources for procurement of key raw material in cost competitive manner dividing the exposure into various kinds of raw materials which are also interchangeable.
- **Labour availability** – In order to retain the labour company has taken initiative of providing training on skill development and also introduced performance linked incentive schemes.
- **Competition** – To minimize the threat of competition the Company is regularly identifying the niche/high value segment and working aggressively with the customer centric approach. Various new approvals have been obtained and more are underway.
- **Trade barriers** – Wherever the Company finds surging of cheaper imports in the country, the matter will be timely taken through business associations with appropriate authorities in the Government for suitable protection / remedial measures.

D. INTERNAL CONTROL SYSTEM

The internal control system encompasses the policies, processes, tasks, behaviors and other aspects of our company that taken together, facilitate effective and efficient operations.

The Company employs adequate and effective system for internal control that provide for:

- i) Security of the asset
- ii) Efficient management information system
- iii) Compliance with all laws and regulations

(Formerly known as RMG Alloy Steel Limited)

iv) Compliance with all standard system and quality standards.

E. INDUSTRIAL RELATIONS & HUMAN RESOURCES

Our company is maintaining the good industrial relationship. Company recognizes that human capital is its most important asset and due care is taken by various HR initiatives at company level like employee development, talent pool program etc.

F. DISCUSSION & FINANCIAL PERFORMANCE

Operational performance vis a vis financial performance of the Company is discussed in details in Directors' Report.

G. DISCUSSION ON CHANGES IN KEY FINANCIAL RATIOS

Ratio	2019	2020	Remark
Debtors Turnover	6.07	25.17	With efficient working capital management, debtor's turnover has improved considerably in FY20.
Inventory Turnover	4.00	5.16	Higher inventory ratio is due to higher COGS as compared to last year.
Interest Coverage Ratio	(1.13)	(4.28)	During FY 2020, company has taken additional Term Loan which has led to increase in interest costs. At the same time profitability came down and remained negative which also resulted in lower & negative ratio
Current Ratio	1.19	0.74	Current Ratio came down due to cash losses during FY 20, however there is recovery in Current Assets. Current assets amounting to Rs. 93.98 Cr and Current Liabilities amounting to Rs. 127.11 Cr (excludes Rs 86.26 Cr related to preference shares) has come down from previous year.
Debt Equity Ratio	(0.32)	(1.16)	Ratio has decreased from previous year because of increase in term liabilities as well as short term borrowing. Though Equity has increased on account of infusion of capital, but during the year company made losses resulting in decrease in ratio.
Operating Profit Margin (%)	-7.54%	-22.07%	During FY 2019-20, Alloy steel business got severely impacted on account of significant lower demand from the automotive sector which led to lower productivity and higher cost of production, which resulted in lower & negative Operating Profit Margin. The Company has already started downsizing low value / non-remunerative products like Alloy Steel, due to challenges faced by automotive and other related sectors. On the contrary, with these significant upgradations, the company has already started making inroads in Aerospace, Nuclear and Defense areas which offer huge growth potential going forward.
Net Profit Margin (%)	-4.57%	-27.57%	During FY 2019-20, as Alloy steel business got severely impacted on account of significant lower demand resulting in lower productivity and higher cost of production, which lead to higher losses.
Return on Net Worth (ROE)	-17.79%	-69.54%	During the year profitability remained negative due to lower productivity and challenging macro environment, which resulted in lower return ratio.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Anuj Burakia
 Whole Time Director
 DIN: 02840211

Prakash Tatia
 Director
 DIN: 06559106

Place: Mumbai
 Date: June 18, 2020

(Formerly known as RMG Alloy Steel Limited)

Annexure VII

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L27100GJ1980PLC020358
2	Name of the Company	Welspun Specialty Solutions Limited (Erstwhile RMG Alloy Steel Limited)
3	Registered address	Plot No 1, G I D C Industrial Estate, Valia Road, Jhagadia, Bharuch Gujarat 393110
4	Website	www.welspunspecialty.com
5	E-mail id	companysecretary_wssl@welspun.com
6	Financial Year reported	31.03.2020
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	27- Manufacture of basic metals
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	1. steel- alloy and specialty steel 2. Stainless & Alloy Pipes & Tubes
9	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations	Nil
	(b) Number of National Locations	1. Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Bharuch, Gujarat - 393110
10	Markets served by the Company	National and International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	3,89,60,94,850
2	Total Turnover (INR)	2,95,16,89,450
3	Total Loss after taxes (INR)	81,36, 64,723
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	0.00%
5	List of activities in which expenditure in 4 above has been incurred	Not Applicable

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies	No
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Not Applicable
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company	No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR
 - (a) Details of the Director/Director responsible for implementation of the BR policy/policies
 1. DIN Number: 02840211
 2. Name: Anuj Burakia
 3. Designation: Whole Time Director

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(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	02840211
2	Name	Anuj Burakia
3	Designation	Whole Time Director
4	Telephone number	022 66136000
5	e-mail id	Anuj_burakia@welspun.com

2. Principle-wise (as per NVGs) BR Policy/policies

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

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for....	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy being formulated in Consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		All the policies have been formulated in consultation with the Management of the Company								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		The policies that have been formulated are in line with the applicable national standards and compliant with the principles of the National Voluntary Guidelines (NVG) issued by the Ministry of Corporate Affairs Government of India.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		The statutory policies have been approved by the Board. The other policies have been developed in consultation with the concerned departmental heads of the Company								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		The Company has appointed the Whole Time Director who is responsible for implementation of BR policies and acts as the BR head to oversee the BR performance								
6	Indicate the link for the policy to be viewed online?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		All policies are made available to the employees of the Company. Stakeholders who wish to view the policies can visit the Company's website: http://www.welspunspecialty.com/policy.php								

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7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8	Does the company have in-house structure to implement the policy/ policies.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		The queries regarding to BR polices can be sent to CompanySecretary_WSSL@welspun.com								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		The Company has various kinds of audits carried out like Internal Audit, Vendor Audit, Compliance Audit, etc. that are independent and cover specific policies. These audits are conducted by internal teams as well as external agencies.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: Not Applicable

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

3. Governance related to BR

(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.	Annually
(b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Company publishes BR report annual along with Annual Report. The same can be viewed on below link. http://www.welspunspecialty.com/financial-results.php

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

Our policies on ethics, bribery and corruption extend to the Group, suppliers, contractors and other third-party organizations. The Code of Conduct for the Board and Senior Management, Code of Conduct and Ethics, Whistle Blower Policy are applicable to all employees of the Company and provides guidance to act in accordance with the highest standards of personal and professional integrity.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

In FY 2019-20, seven complaints were received from shareholders, investors and resolved to their satisfaction. No complaints was received from our vigil/whistle blower mechanism. Complaints from external stakeholders like suppliers and contractors are raised directly to business teams and are addressed by them on an individual case basis.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
 - a) Carbon & Alloy Steel/SS rolled product
 - b) SS seamless Pipe & tube (with or without Pickling)

The Company is committed towards continuous improvement and growth. Our business excellence is based on improving product performance, promoting innovation, guaranteeing quality and enhancing customer value. We follow strict product specifications based on our customer's guidelines on product development.

The Company believes that there are multiple strategic advantages that can be achieved by exploring opportunities to improve operational efficiency through several measures. Periodic audits and proactive maintenance of equipment are conducted to ensure high operational efficiency and minimization of waste.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):
 - (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?
 - (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

We are committed to increasing the efficiency of our processes to reduce our environmental footprint. We make sincere efforts for conservation of energy and are focused on contributing to the transition towards a cleaner economy. The energy/ water consumption from our facilities for FY 2019-20 is mentioned below:

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Energy Source/ Water	Units Measurement	FY 19-20
Power	KWh	43563307
Water	Cubic Meter	205431
Natural Gas	Cubic Meter	1803867
Furnace Oil	Liter	2150890

3. Does the company have procedures in place for sustainable sourcing (including transportation)?
 (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company conducts business activities in a safe and sustainable manner. All work practices, procedures and production endeavors comply with the highest health, safety and environment standards as per the Industry norms, Government and relevant statutory bodies. Our purchasing teams are encouraged to source material like raw material, consumables, spares etc. locally which helps in reducing transportation costs.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?
 (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company encourages and promotes local procurement for other components used in our processes. We proactively collaborate with competent vendors by providing them technical assistance for their processes.. We also work with local businesses and generate productive local employment by hiring talent near our location to meet requirements for services like waste handling, housekeeping, logistics and machine operations.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The Company recycles used soft water in process by cooling tower. Used waste water recirculated in cooling tower to reduce heat from water and reuse in process to save fresh water consumption.

The Company also has ETP (Effluent Treatment plant) for treatment of industrial waste water which are generating through blow down of Cooling tower, Regeneration of DM plant, Pickling activity etc. The treated water is using for gardening activity & Slag quenching activity for which WSSL got Consent from Gujarat Pollution Control Board.

Principle 3: Businesses should promote the wellbeing of all employees

1	Please indicate the Total number of employees	401
2	Please indicate the Total number of employees hired on temporary/contractual/casual basis	172
3	Please indicate the Number of permanent women employees	5
4	Please indicate the Number of permanent employees with disabilities	1
5	Do you have an employee association that is recognized by management	No
6	What percentage of your permanent employees is members of this recognized employee association	Not Applicable

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7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	0	0
2	Sexual harassment	0	0
3	Discriminatory employment	0	0

8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?

(a) Permanent Employees	100% Safety training and 75% skill up gradation
(b) Permanent Women Employees	100% Safety training and 100% skill up gradation
(c) Casual/Temporary/Contractual Employees	100% Safety training and 60% skill up gradation
(d) Employees with Disabilities	100% Safety training

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the company mapped its internal and external stakeholders?

Yes, we have identified internal and external stakeholders through consultations from our operations. Various engagement channels are used to reach out to our stakeholders on areas that are of importance to them.

The following stakeholder groups have been identified:

Internal Stakeholders:

- Employees
- Board of Directors

External Stakeholders:

- Shareholders
- Investors / lenders
- Customers
- Suppliers/ Vendors
- Local community
- Government / local authorities
- Contractors

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.:

We have a well-established system to identify the disadvantaged, vulnerable & marginalized stakeholders. Through our initiatives and beneficiary selection format we try to reach out to the most vulnerable and economically weaker section of the community.

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3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Company engages with the local community on need/ request basis and extends possible support as and when required.

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

As an organization, we respect the rights of our people, promote open and free flow of ideas without any form of harassment or discrimination and have implemented robust policies to ensure that these are adhered to across all our operations. We are resolute regarding support to human rights and complying with all the relevant laws. Our Code of Conduct and Ethics Policy, Prevention of Sexual Harassment (PoSH) Policy, and HR practices covers aspects of human rights for the Company's operations and are extended to suppliers and business partners.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

As a result of our commitment to upholding high standards of protection of human rights, there were no complaints regarding human rights in FY 2019-20

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

Protection and conservation of the environment is integral to our business strategy. We constantly strive to be a model of excellence in all our endeavors for business excellence or environmental stewardship. The approach towards an effective environmental performance is guided by our Occupational Health, Safety and Environment Policy that extends to our suppliers and contractors. It guides us in embedding the highest standards of safety and environment in our operations and supply chain using a risk-based approach.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Yes. We are committed to minimizing the energy consumed for production and processing operations. Managing energy use is a critical aspect of monitoring our Natural Capital as a result of its impact on carbon emissions and energy costs. We make sincere efforts for conservation of energy and are focused on contributing to the transition towards a cleaner economy.

We have taken initiatives to address global environment issues. For that purpose we have hired a consultancy to continuously monitor GHG (Green House Gas) like Ozone, CFC, oxide of nitrogen and oxide of sulphur at our plant premises.

3. Does the company identify and assess potential environmental risks?

Yes. In order to identify the potential environmental risks to our operations, we have a detailed risk assessment process that forms a part of our Enterprise Risk Management (ERM)

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framework. Towards this, we have developed a detailed evaluation method for all our processes, raw materials, products and services. The process involves a detailed study of the current environmental management practices. Through a comprehensive analysis methodology, the Environmental Aspects and Associated Impacts are identified and the significance of each is measured. This operation is conducted bi-annually, and the potential impact and significance is evaluated. It covers the areas of emissions, discharge of wastewater, waste management and disposal, management of hazardous substances, contamination of land, use of natural resources and raw materials and compliance with legislative and other requirements and helps in identifying areas of improvement

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

We have taken initiative for clean development Mechanism. Slag Crusher Plant/Metal recovery plant was erected to minimise the waste and recycle the slag waste generated during the melting process. By using slag crusher plant, we separate metal parts from the slag to reuse/recycle, also some of the slag is converted into powder which is being used to construct internal roads.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

We have taken initiative for use of renewable energy. Slag Crusher Plant/Metal recovery plant was erected to minimise the waste and recycle slag waste which is being recycled and reused for various purpose. We also reuse industrial waste water after treatment by ETP.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The emissions and waste generated by the Company are within permissible limits given by GPCB (Gujarat pollution control board). Our environmental performance is continuously monitored to ensure that it is within regulatory limits. Regular compliance reports are submitted to the concerned authorities to communicate our performance.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.
There have been no cases received or pending from the CPCB/ SPCB as on end of the financial year.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

We are a part of several associations that enable value addition to the pipe industry:

- Confederation of Indian Industries (CII)
- Federation of Indian Chamber of Commerce and Industry (FICCI)
- The Associated Chambers of Commerce and Industry (ASSOCHAM)
- Engineering Export Promotion Council (EEPC)
- Indian Stainless Steel Pipes Manufacturers Association (ISSMA)

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2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

We have advocated for domestic preference policy in government buying with an objective of benefit to public at large. This may not only improve domestic industrial capability and research but also generate maximum employment and promote people skilling.

The Company believe in driving change and taking efforts towards effective policy development that fosters industrial growth. The Company participates in policy advocacy process in a responsible and ethical manner which is economically, environmentally and socially sustainable for our company and our stakeholders.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

We engage in our surrounding community as well as encourage our employees also to be socially responsible and contribute in the best manner possible Activities like awareness drives and health camps, are organized with support from the employee volunteers who assist in smooth functioning of the event. In addition to this, the senior management also shows significant participation in the events, like stakeholder meetings, training programs, and facilitation programs.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The Company undertakes these programs with the help of in house teams which includes volunteers from across functions.

3. Have you done any impact assessment of your initiative?
No.
4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.
The Company has given Rs.1 Lac to Shelod Village for newly built Temple. The Company also donates funds regularly to school and village community in festivals.
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.
N.A.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

There were three complaints received from customers and all stand closed as on end of FY 2019-20. We have a robust mechanism of recording every complaint through a customer complaint register. The nature of complain, physical verification and investigation of the

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recorded complaints is carried out to analyze the causes and corrective & preventive actions are taken which is then incorporated in the SOPs.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

We ensure complete transparency with our customers. Though our industry is not governed by any regulations with respect to product labelling, we ensure customer awareness on product details. Technical information such as specification, usage, quality and commercial information such as location of manufacture, schedule, warranty, among others are shared with the customers.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

As a testimony to the effectiveness of our ethics and compliance policies, there were no cases filed against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

We measure customer satisfaction through internal mechanisms. Internal systems include feedback and discussion at strategic levels post completion of delivery of goods. We strive to maintain a high customer satisfaction and incorporate feedback received through these processes. Our Standard Operating Procedures (SOPs) are also reviewed to ensure alignment to customer requirements. Our repeat business from same customers is the testimony of our customer centric policies.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Anuj Burakia
Whole Time Director
DIN: 02840211

Prakash Tatia
Director
DIN: 06559106

Place: Mumbai
Date: August 1, 2020

(Formerly known as RMG Alloy Steel Limited)

Independent Auditors' Report

To The Members of
Welspun Specialty Solutions Limited
(Formerly known as RMG Alloy Steel Limited)

Opinion

We have audited the accompanying financial statements of **Welspun Specialty Solutions Limited (formerly known as RMG Alloy Steel Limited)** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020; and its loss and total comprehensive income, changes in equity and its cash flows 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

- a) We draw attention to Note 29 of the financial statements wherein the Company's continues to incur losses, indicating the existence of uncertainty that may cast doubt about the Company's ability to continue as a going concern. However the accounts of the Company have been prepared on a going concern basis for the reasons stated in the aforesaid note.
- b) We draw attention to Note 43 of the financial statements, as regards to the management evaluation of the impact of COVID -19 on the future performance of the Company.

Our opinion is not modified in respect of above matters.

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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Expected credit loss (“ECL”) provision in respect of financial assets carried at amortized cost (Refer Note 1 for accounting policy and Note 40 for ECL provision) As detailed in Note 7, the Company has financial assets carried at amortized cost amounting to Rs. 2,160 Lacs (gross) as at March 31, 2020. The Company holds ECL provision of Rs. 1,131 Lacs against such assets. As discussed in the said note, ECL provision has been determined in accordance with Ind AS 109 – Financial Instruments. We focused on this area as determining ECL provision requires significant judgments by the management. Key areas of judgment included: - Assumptions used in the expected credit loss model such as the financial condition of the counterparty, probability of default, expected future cash flows. The identification of exposures with significant deterioration in credit quality.	We carried out following procedures in respect to ECL provision: - held discussions with management and obtained understanding of ECL model, its development process and relevant controls. - evaluated the design and tested operating effectiveness of controls in respect of ECL model, which included data used to determine the provision, appropriate approvals and mathematical accuracy. - we assessed the assumptions and judgment made by management used to calculate ECL provision. - Traced key inputs to the ECL model on a sample basis to assess their accuracy and completeness. Ensured mathematical accuracy of the ECL provision by performing recalculations. We have evaluated ECL provision taking into account the requirements of Ind AS 109 – Financial Instruments.
Inventories As of March 31, 2020, the Company total inventory balance amounted to Rs. 6,977 Lacs, representing 74% of the total current assets of the financial statement and 21% of the total assets of the Company. Refer Note 6 of the financial statement. The Company is exposed to risk of slow-	As part of our audit, we performed audit procedures to obtain sufficient appropriate audit evidence regarding the existence and condition of inventory. We evaluated the appropriateness of the basis and processes used by management in determining the net realisable value of inventories. We also evaluated the assumptions and estimates used by management in determining the write

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Key Audit Matter	How our audit addressed the key audit matter
moving and/or obsolete inventory as a result of volatility demand for steel and its steel price. Significant judgment is required for the estimation of the net realisable value and allowance for slow-moving and obsolete inventories. Such estimation is made after taking into consideration factors such as movement in price, current and expected future market demand and pricing competition. As such, we determined that this is a key audit matter.	down amount through testing of the accuracy of inventories aging report, analysing the aging profile of inventories to identify slow and obsolete inventories as well as reviewing historical and subsequent to financial year end sales patterns. In addition, we reviewed the adequacy of the disclosures on inventories in Note 6 of the financial statements. Based on our evaluation of the inventories and other procedures performed, the valuation of inventory carried in the financial statement is appropriate.
Capital Work in progress At March 31, 2020 the carrying value of assets under construction was Rs. 1,200 Lakh. Refer Note 2B of the financial statements. Accounting for assets under construction has been identified as a key audit matter due to: - the significant judgement involved in assessing when an asset is available for use as intended by management. At this point, revenue and operating costs associated to the asset cease to be capitalised to the statement of financial position and depreciation should commence. Additionally, we considered recent impairment charges recognised in respect of assets under construction which resulted from changes in project plans.	To address this key audit matter we have: Considered the stage of completion of ongoing projects specifically in relation to ascertaining when the assets will be available for use as intended by management. - Assessed project timelines by tracking project progress against forecast spend and management budgets. - Assessed the accounting treatment of testing costs during the testing phase where applicable. - Ensured costs associated with assets which came into production in the year cease to be capitalized and depreciation charges commenced. Based on our evaluation of the asset under construction projects and other procedures performed, we are satisfied that projects overall assets under construction are recoverable.

Other Information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the

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audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management Responsibility for the financial statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, change 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) specified under section 133 of the Act, read with the Companies (Indian Accounting standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the

(Formerly known as RMG Alloy Steel Limited)

override of internal control.

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

(Formerly known as RMG Alloy Steel Limited)

- 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 cash flow and the statement of change in equity dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements 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 Rules 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 in note 34 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company for the year ended March 31, 2020.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/W100593

Vishal D. Shah
Partner
Membership No. 119303
UDIN: 20119303AAAADH3039

Place: Mumbai
Date: June 18, 2020

(Formerly known as RMG Alloy Steel Limited)

Annexure 'A' to the Independent Auditors' Report of even dated on the financial statements of Welspun Specialty Solutions Limited (Formerly known as RMG Alloy Steel Limited) (Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

- i) In respect of Fixed Assets
 - a. The Company is in the process of updating its fixed assets register showing full particulars including quantitative details and situation of fixed assets.
 - b. We have been informed that the fixed assets of the Company are physically verified by the Management during the year in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. As per the information and explanations given to us and records examined by us, the title deeds of immovable properties are in the name of the Company.
- ii) In our opinion the inventories have been physically verified during the year by the Management at reasonable intervals and the discrepancies between physical stocks and the book stocks noticed on physical verification were not material.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties cover in the register maintained under Section 189 of the Act. Hence Clauses (iii) (a) to Clauses (iii) (c) of Paragraph 3 of the Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities. The Company has not granted any loans to any director or any person in whom director is interested as specified under Section 185 of the Act and hence clause (iv) of paragraph of the Order is not applicable to the Company to that extent.
- v) The Company has not accepted any deposits under the provisions of section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under.
- vi) On the basis of records produced to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government of India under section 148(1) of the Act have been maintained. However, we are not required to and have not carried out any detailed examination of such accounts and records.
- vii) a) According to the books and records as produced and examined by us in accordance with the generally accepted auditing practices in India the undisputed statutory dues in respect of Provident Fund, Custom Duty, Goods and Service Tax (GST), Cess and other material statutory dues have generally been regularly deposited, by the Company during the year with the appropriate authorities in India except in few cases with respect to Professional tax and Income Tax (Tax deducted at source) where the delay ranged from 1 days to 68 days. There are no undisputed amounts payable in respect of the aforesaid dues as at March 31, 2020 for a period of more than six months from the date they became payable.

(Formerly known as RMG Alloy Steel Limited)

- b) According to the information and explanation given to us and the records of the Company examined by us, the particulars of dues of Service Tax, as at March 31, 2020 which have not been deposited on account of disputes, are as follows:

Name of Statute	Nature of the dues	Period to which amount relates	Forum where dispute is pending	Amount (Rs. in Lac)
Finance Act, 1994	Service Tax	2005-06 to 2007-08	Customs, Excise & Service Tax Appellate Tribunal	1

According to the information and explanation given to us and the records of the Company examined by us, there are no dues of Income Tax, Sales Tax, Value Added Tax, Goods and Service Tax (GST), duty of Customs, duty of Excise and Wealth Tax which have not been deposited on account of any dispute.

- viii) Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks and the Company has not taken loan or borrowing from financial institution and Government. There were no debentures issued during the year or outstanding at the beginning of the year.
- ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanation given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
- x) In our opinion and 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) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us the Company's transactions with its related party are in compliance with Sections 177 and 188 of the Act, wherever applicable, and details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) In our opinion and according to the information and explanations given to us, the Company has made preferential allotment of Equity Shares and Share Warrants during the year in accordance with provisions and requirements of section 42 of the Act. The Company has not made private placement of Preference Shares or fully or partly convertible debenture during the year.

(Formerly known as RMG Alloy Steel Limited)

- xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable to the Company.
- xvi) In our opinion and according to information and explanations provided to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Pathak H. D. & Associates LLP

Chartered Accountants

Firm Registration No. 107783W/W100593

Vishal D. Shah

Partner

Membership No. 119303

UDIN: 20119303AAAADH3039

Place: Mumbai

Date: June 18, 2020

(Formerly known as RMG Alloy Steel Limited)

Annexure ‘B’ to the Independent Auditors’ Report of even date on the financial statements of Welspun Specialty Solutions Limited (Formerly known as RMG Alloy Steel Limited) (Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the Internal Financial Control with reference to financial statements of **Welspun Specialty Solutions Limited (formerly known as RMG Alloy Steel Limited)** (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management Responsibility for the Internal Financial Controls

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

Auditor’s Responsibility

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

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

(Formerly known as RMG Alloy Steel Limited)

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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For Pathak H. D. & Associates LLP

Chartered Accountants

Firm Registration No. 107783W/W100593

Vishal D. Shah

Partner

Membership No. 119303

UDIN: 20119303AAAADH3039

Place: Mumbai

Date: June 18, 2020

(Formerly known as RMG Alloy Steel Limited)

BALANCE SHEET as at March 31, 2020

(Rs. In Lacs)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
I Non-Current Assets			
(a) Property, Plant and Equipment	2A	21,557	9,966
(b) Capital Work in Progress	2B	1,200	8,515
(c) Intangible Assets	3	296	1
(d) Income tax Assets (net)	4	169	223
(e) Other Non-Current Assets	5	169	323
Total Non-Current Assets		23,391	19,028
II Current Assets			
(a) Inventories	6	6,977	11,758
(b) Financial Assets			
(i) Trade Receivables	7	1,029	7,136
(ii) Cash and Cash Equivalents	8	9	3
(iii) Bank Balance Other than Cash and Cash Equivalent	9	329	1,062
(c) Other Current Assets	10	1,053	2,068
Total Current Assets		9,397	22,027
TOTAL ASSETS		32,788	41,055
EQUITY AND LIABILITY			
III Equity			
(a) Equity Share Capital	11	29,341	20,802
(b) Other Equity	12	(39,841)	(42,028)
TOTAL EQUITY		(10,500)	(21,227)
IV Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	21,835	25,814
(b) Provisions	14	117	181
Total Non-Current Liabilities		21,952	25,995
V Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	10,208	14,903
(ii) Trade Payables	16		
Total outstanding dues of micro, small and medium enterprise		9	10
Total outstanding dues of creditors other than micro, small and medium enterprise		4,080	12,575
(iii) Other Financial Liabilities	17	6,280	7,383
(b) Other Current Liabilities	18	692	1,346
(c) Provisions	19	67	70
Total Current Liabilities		21,336	36,287
TOTAL EQUITY AND LIABILITIES		32,788	41,055
Significant Accounting Policies & Notes to accounts forming an integral part of financial statements	1-50		

As per our report of even date attached

For Pathak H D & Associates LLP

Chartered Accountants

Firm Registration No.: 107783W /W100593

Vishal D. Shah

Partner

Membership No.119303

Place: Mumbai

Date: June 18, 2020

For and on behalf of the Board of Directors
Anuj Burakia

Whole time Director

DIN: 02840211

Prakash Tatia

Director

DIN: 06559106

Narendra Kumar Bhandari

Chief Financial Officer

Rashmi Mamtura

Company Secretary

FCS: 8658

(Formerly known as RMG Alloy Steel Limited)

STATEMENT OF PROFIT and LOSS for the year ended March 31, 2020

(Rs. In Lacs)

	Particulars	Notes	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
I	INCOME			
	Revenue from Operations	20	29,517	44,075
	Other Income	21	483	395
	Total Income		30,000	44,470
II	Expenses:			
	Cost of Raw Materials Consumed	22	18,555	28,892
	Purchase of Stock in Trade		1,501	454
	Changes in Inventories of Finished Goods, WIP & stock in trade	23	3,038	(2,101)
	Employee Benefits Expenses	24	3,362	2,495
	Finance Costs	25	1,541	945
	Depreciation and Amortization Expenses	26	1,032	668
	Other Expenses	27	10,165	18,080
	Total Expenses		39,194	49,433
III	Loss before Exceptional Item & Tax		(9,194)	(4,963)
	Exceptional items - Income (Net)	28	1,057	2,949
IV	Loss before Tax		(8,137)	(2,014)
V	Tax expense		-	-
VI	Loss for the year		(8,137)	(2,014)
VII	Other Comprehensive Income/(Loss)			
	Items that will be reclassified subsequently to profit or loss			
	Fair value change on derivatives designated as cash flow hedge		162	(127)
	Items that will not be reclassified subsequently to profit or loss			
	Re measurement of defined benefit obligation (net of Income Tax)		(32)	(8)
	Other Comprehensive Income/(Loss) for the year		130	(135)
	Total Comprehensive Income/(Loss) for the year		(8,007)	(2,149)
	Earning per Equity Share (Face Value of Rs.6 Per Share) :			
	Basic & Diluted (in Rs.)	30	(1.99)	(0.88)
	Significant Accounting Policies & Notes to accounts forming an integral part of financial statements	1-50		

As per our report of even date attached

For Pathak H D & Associates LLP

Chartered Accountants

Firm Registration No.: 107783W /W100593

For and on behalf of the Board of Directors

Anuj Burakia

Whole time Director

DIN: 02840211

Prakash Tatia

Director

DIN: 06559106

Vishal D. Shah

Partner

Membership No.119303

Place: Mumbai

Date: June 18, 2020

Narendra Kumar Bhandari

Chief Financial Officer

Rashmi Mamtura

Company Secretary

FCS: 8658

(Formerly known as RMG Alloy Steel Limited)

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital (Refer Note No.: 11)

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
As at March 31, 2019	6,506	14,296	20,802
As at March 31, 2020	20,802	8,539	29,341

B. Other Equity (Refer Note No.: 12)

Particulars	Reserves and Surplus			Other Comprehensive Income		Share Application Money Pending Allotment	Warrants	Total
	Retained Earnings	Securities Premium	Share options outstanding account (Refer Note 32)	Effective portion of cash flow hedge	Remeasurements of net defined benefit plan			
Balance as at April 1, 2018	(56,402)	-	-	-	(21)	17,335	-	(39,088)
(Loss) for the year	(2,014)	-	-	-	-	-	-	(2,014)
Other comprehensive income for the year	-	-	-	(127)	(8)	-	-	(135)
Issue of Equity Shares	-	-	-	-	-	(17,335)	-	(17,335)
Share Option Expenses	-	-	166	-	-	-	-	166
Securities Premium on Issue of Equity Shares	-	14,295	-	-	-	-	-	14,295
Share Warrants Issued	-	-	-	-	-	-	2,082	2,082
Balance as at March 31, 2019	(58,416)	14,295	166	(127)	(29)	-	2,082	(42,028)
(Loss) for the year	(8,137)	-	-	-	-	-	-	(8,137)
Other comprehensive income for the year	-	-	-	162	(32)	-	-	130
Share option expense	-	-	107	-	-	-	-	107
Share Issued Against ESOP	-	-	(112)	-	-	-	-	(112)
Securities premium on Issue of Equity Shares	-	10,772	-	-	-	-	-	10,772
Share Warrants Issued	-	-	-	-	-	-	7,757	7,757
Equity Shares issued against Share Warrants	-	-	-	-	-	-	(8,329)	(8,329)
Balance as at March 31, 2020	(66,553)	25,067	161	35	(61)	-	1,510	(39,841)

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes (1-50).

As per our report of even date attached

For Pathak H D & Associates LLP

Chartered Accountants

Firm Registration No.: 107783W /W100593

Vishal D. Shah

Partner

Membership No.119303

Place: Mumbai

Date: June 18, 2020

For and on behalf of the Board of Directors

Anuj Burakia

Whole time Director

DIN: 02840211

Prakash Tatia

Director

DIN: 06559106

Narendra Kumar Bhandari

Chief Financial Officer

Rashmi Mamtura

Company Secretary

FCS: 8658

(Formerly known as RMG Alloy Steel Limited)

STATEMENT OF CASH FLOWS

	Particulars	Year ended 2019-20		Year ended 2018-19	
A	Cash Flow from Operational Activities				
	(Loss) before tax as per statement of profit and loss :		(8,137)		(2,014)
	Adjustment for :				
	Depreciation and amortization expenses	1,032		668	
	Financial Costs	1,541		945	
	Unrealized exchange difference (Net)	22		(26)	
	Interest Income	(110)		(307)	
	Provision for Gratuity & Compensated Absences	66		63	
	(Profit)/Loss on Sale of Property, Plant and Equipment (@ Rs. 4,367)	@		(115)	
	(Profit)/Loss on Sale of Investments	-		(13)	
	Expense on employee stock option scheme	107		166	
	Provision for Doubtful Debts	455		65	
	Provision for Obsolescence	6		-	
	Sundry Credit Balances Written Back / Provision no longer required	(359)		-	
			2,760		1,676
	Operating Cash Loss before Working Capital Changes		(5,377)		(338)
	Changes in Working Capital :				
	(Increase)/Decrease in trade receivables	6,666		(568)	
	(Increase)/Decrease in inventories	4,775		(5,254)	
	Increase/(Decrease) in trade & other payables	(8,635)		5,968	
	Increase/(Decrease) in provisions	(166)		(16)	
			2,640		130
	Cash generated from / (used in) Operations		(2,737)		(208)
	Less: Direct taxes paid (net of refunds)		53		(30)
	Net cash flows (used in)/ generated from operating activities after exceptional items		(2,684)		(238)
B	Cash Flow from Investing Activities				
	Acquisition of Property, Plant & Equipment (including Work in Progress, Capital Advance and Creditors for Capital Expenditure)	(5,605)		(8,311)	
	Proceeds from Sale Of Property, Plant and Equipment	-		344	
	Interest Income	97		300	
	(Purchase) / Redemption of Bank Deposit	746		(872)	
	Purchase of Investments	-		(7,890)	
	Sale of Investments	-		14,613	
	Net Cash generated from / (used in) Investing Activities:		(4,762)		(1,816)
C	Cash Flow from Financing Activities				
	Proceeds from long-term borrowings	4,563		-	
	Repayment of long-term borrowings	(307)		(25,610)	
	Proceeds of short term borrowings (net)	(4,478)		4,406	
	Share / Warrant Issue	-		10,540	
	Proceeds from Issue of Equity Shares	80		-	
	Interest Paid	(1,364)		(2,726)	
	Net Cash generated from / (used in) Financing Activities:		7450		(22,201)
	Net Increase/(Decrease) In Cash And Cash Equivalents (A + B + C)		6		(24,255)
	Cash and cash equivalents at the beginning of the year		3		24,258
	Cash and cash equivalents at the end of year		9		3
	Net Increase/(decrease) as disclosed above		6		(24,255)
	Components of Cash and Cash Equivalent (Refer Note 8)				
	Balance with Bank – Current account		1		1
	Cash on Hand		8		2
	Cash and Cash Equivalent		9		3

The above statement of cash flow should be read in conjunction with the accompanying notes (1-50).

(Formerly known as RMG Alloy Steel Limited)

Notes:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.
2. Additions to property, plant, equipment and intangible assets include movements of capital work-in-progress during the year.
3. Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year's presentation.

As per our report of even date attached

For Pathak H D & Associates LLP

Chartered Accountants

Firm Registration No.: 107783W /W100593

Vishal D. Shah

Partner

Membership No.119303

Place: Mumbai

Date: June 18, 2020

For and on behalf of the Board of Directors

Anuj Burakia

Whole time Director

DIN: 02840211

Prakash Tatia

Director

DIN: 06559106

Narendra Kumar Bhandari

Chief Financial Officer

Rashmi Mamtura

Company Secretary

FCS: 8658

SIGNIFICANT ACCOUNTING POLICIES

I. Company Information

Welspun Specialty Solutions Limited (formerly known as RMG Alloy Steel Limited) (“the Company”) is a public limited Company incorporated in India with its registered office in Plot No 1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat – 393 110. The Company is listed on the Bombay Stock Exchange (BSE).

The Company is a multi-product manufacturer of Rolled Product, Ingot, Bloom, Seamless Pipe, Mill Scale, Slab Casting and others.

The functional and presentation currency of the Company is the Indian Rupee (“Rs.”) which is the currency of the primary economic environment in which the Company operates.

The financial statements as at March 31, 2020 present the financial position of the Company.

These financial statements of the Company for the year ended March 31, 2020 were authorised for issue by the board of directors on June 18, 2020. Pursuant to the provisions of section 130 of the Companies Act, 2013 (“the Act”), the Central Government, Income tax authorities, Securities and Exchange Board of India, other statutory regulatory body and under section 131 of the Act, the board of directors of the Company have powers to amend / re-open the financial statements approved by the board / adopted by the members of the Company.

II. Significant Accounting Policies followed by the Company

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been consistently applied during the years presented in these financial statements.

(a) Basis of preparation

(i) Compliance with Ind AS

The financial statements of the Company have been prepared and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

(ii) Historical cost convention

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

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

(b) Critical estimates and judgements

The presentation of financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

a. Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID 19):

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, property, plant and equipment, inventories and other assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information on the expected future performance of the Company. The Company has carried out its initial assessment of the likely adverse impact on economic environment in general and financial risk because of Covid-19 pandemic. As per initial assessment, demands for the Company's products are expected to be lower in the short term, though the same is not likely to have a continuing impact on the business. The Company does not anticipate any additional liability as at the balance sheet date. However, due to the nature of the pandemic, the Company will closely monitor any material changes to future economic conditions impacting its business.

b. Estimation of Deferred tax recoverable

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

The Company has not recognized Deferred Tax Asset of Rs. 17,616 Lacs (March 31, 2019: Rs. 19,232 Lacs) on unused tax losses, which according to the management the Company will not generate sufficient taxable profits in the near future and the assets may not be used to offset the taxable gain. Refer Note 38 of the financial statements for the amounts of such temporary difference on which deferred tax asset are not recognised.

c. Estimation of Defined Benefit Obligations

The cost of the defined benefit gratuity plan and other post-employment employee benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

d. Impairment of Trade receivables and other financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Refer Note 41 on financial risk management where credit risk and related impairment disclosures are made.

(c) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

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

(d) Property, plant and equipment

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

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

(e) Intangible assets

Computer software

Intangible Assets are recognized only if acquired and it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible Assets are being amortised over a period not exceeding 3 years

(f) Depreciation methods, estimated useful lives and residual value

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

Plant & Machinery	5-30 years
Electrical Installation	10 years
Factory Building	30 years
Non-Factory Building	60 years
Office Equipment	3-5 years
Furniture and Fixtures	10 years
Vehicles	10 years

Leased Assets

Leasehold lands are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Act, where the lease period of land is beyond the useful life of the building.

Plant & Machinery

The useful lives of plant & machinery have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Act, in order to reflect the actual usage of the assets.

The residual values are not more than 5% of the original cost of the asset are reviewed, and adjusted if appropriate, at the end of each reporting period.

(g) Impairment of assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

(h) Capital Work in Progress (CWIP)

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. All indirect cost, borrowing cost incurred prior to the date of installation / development prior to its intended use and trial run expenditure are shown under CWIP. These expenses are net of recoveries and income (net of tax) from surplus funds arising out of project specific borrowings.

(i) Current and non-current classification:

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period,
OR
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

(j) Financial Instruments

The Company recognises financial assets and liabilities when it becomes a party to the contractual provisions of the instrument.

a. Financial assets:

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

For purpose of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

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Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** the objective of the Company's business model is to hold the financial asset to collect the contractual cash flow (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- **Cash flow characteristics test:** the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial assets that meets the following two conditions is measure at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test** the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements measured at amortised cost for fair value through other comprehensive income a financial asset is measured at fair value through profit or loss if doing so eliminates or a significantly reduces a measurement or recognition inconsistency sometimes referred to as an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial assets are measured at fair value through profit and loss

Derecognition

A financial asset (or where applicable a part of financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from company's balance sheet) when:

- The rights to receive cash flow from the sets have expired, or
- The Company has transferred its rights to receive cash flows from the sets or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass through arrangement and either
 - o The Company has transferred substantially all the risk and rewards to the assets, or
 - o The company has neither transferred not retained substantially all the risk and rewards of the set but has transferred control of the asset.

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When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership. When it has neither transferred nor retained substantially all of the risk and rewards of the assets, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of company's continuing involvement. In that case, the company also recognises an associated liability. The transferred assets the associated liability are measured on the basis that reflects the rights and open that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carry amount of the Asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

b. Financial liabilities:

Initial recognition and Measurement

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

The Company's financial liabilities include trade and other payables loans and borrowings including bank overdraft.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gain or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition.

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Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR Amortisation process.

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

Derecognition

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

c. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

(k) Fair value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
 - In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible to/ by the Company.

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

- Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2 — other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3 — techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

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For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

Disclosures for valuation methods, significant estimates and assumptions of Financial Instruments (including those carried at amortised cost) (Refer Note 39) and Quantitative disclosures of fair value measurement hierarchy (Refer Note 39).

(I) Employee benefits

(i) Defined contribution plans

In accordance with Indian Law, eligible employees receive benefits from Provident Fund and superannuation fund, which is defined contribution plan. The Company makes specified monthly contributions towards provident fund and superannuation fund. The Company has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

(ii) Defined benefit plans (Gratuity)

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognized immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

(iii) Employee leave entitlement

The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of unutilized leave balances is provided based on an actuarial valuation carried out by an independent actuary as at the period end and charged to the Statement of profit and loss.

(iv) Share Based Payments

Equity settled share based payments to employees are measured at fair value of the equity instruments at grant date.

The fair value determined at the grant date of the equity-settled share based payment is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimates of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any is, recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the shared option outstanding account.

No expense is recognised for options that do not ultimately vest because non market performance and/ or service conditions have not been met.

(m) Inventories

Raw Materials are valued at lower of cost or net realisable value. Cost is determined on weighted average basis.

Stores and Spares are valued at cost determined on weighted average basis or net realizable value, except for those which have a longer usable life, which are valued on the basis of their remaining useful life.

Semi finished and finished Goods are valued at lower of cost or net realisable value. Cost includes raw material, labour, manufacturing expenses, allocable overheads and depreciation.

Scrap is valued at net realizable value.

(n) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash on hand, demand deposits with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(o) Cash flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(p) Provisions, Contingent Liabilities and Contingent Assets

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

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

A Contingent asset is not recognized in financial statements, however, the same is disclosed where an inflow of economic benefit is probable

(q) Income tax

Income tax expense comprises of current tax and deferred tax.

- **Current tax**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws. Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

- **Deferred tax**

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amount for financial reporting purposes at the reporting date.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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Deferred tax related to item recognized outside the statement of profit and loss is recognized outside the statement of profit and loss. Deferred tax items are recognized in correlation underline transaction in other comprehensive income or directly in equity.

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

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such and liabilities relate to taxes on income levied by the same governing taxation laws.

(r) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

- **Revenue from sale of goods**

The Company applies Indian Accounting Standard 115 (Ind AS 115) – ‘Revenue from contracts with customers’ using the cumulative catch-up transition method. The Company recognize revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or service to a customer.

- **Interest and other income**

The interest and other income are recognised only when no uncertainty as to measurability or collectability exists. Interest on fixed deposits is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

(s) Borrowings

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities.

(t) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs and interest cost are charged to statement of Profit and Loss.

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(u) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The board of directors of the Company has designated the Whole Time Director (“WTD”) to assess the financial performance and position of the Company, and making strategic decisions. The WTD has been identified as being the Chief Operating Decision Maker for corporate planning.

(v) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(w) Foreign Currency Transaction

Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (‘the functional currency’). The financial statements are presented in Indian rupee (INR), which is Company’s functional and presentation currency.

Transactions and Balances

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss except in case of certain long term foreign currency monetary items where the treatment is as under:

Non monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rates at the dates of the transaction.

Foreign exchange gains and losses are presented in other expense/income in the standalone Statement of Profit and Loss on a net basis.

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(x) Derivatives

The Company uses derivative financial instruments such as forwards contracts to mitigate the risk of changes in exchange rates. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value.

Derivatives are carried as Financial Assets when the fair value is positive and as Financial Liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedge which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss.

(y) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

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(Rs. In Lacs)

2A Property, Plant & Equipment
Details of Property, Plant and Equipment (PPE) as under:

Particulars	Lease hold land	Free hold land	Buildings	Plant and machinery	Electrical Installation	Furniture and fixtures	Vehicles	Office Equipment's	Total
Gross Carrying amount:									
Deemed cost as at April 01, 2018	351	14	8,848	31,628	1,998	113	10	220	43,182
Additions	-	-	58	387	-	16	18	73	552
Disposals	-	-	-	(3,859)	-	-	-	-	(3,859)
Balance as at March 31, 2019	351	14	8,906	28,156	1,998	129	28	293	39,875
Additions	-	-	2,909	8,950	684	6	-	72	12,621
Disposals	-	-	-	(371)	-	-	-	(7)	(378)
Balance as at March 31, 2020	351	14	11,815	36,735	2,682	135	28	358	52,118
Accumulated depreciation:									
Balance as at April 01, 2018	80	-	4,732	25,565	1957	96	10	200	32,640
Additions	4	-	244	379	19	5	2	15	668
Disposals	-	-	-	(3,399)	-	-	-	-	(3,399)
Balance as at March 31, 2019	84	-	4,976	22,545	1,976	101	12	215	29,909
Additions	4	-	309	628	52	5	2	29	1,029
Disposals	-	-	-	(371)	-	-	-	(6)	(377)
Balance as at March 31, 2020	88	-	5,285	22,802	2,028	106	14	238	30,561
Net carrying amount									
Balance as at March 31, 2019	267	14	3,930	5,611	22	28	16	78	9,966
Balance as at March 31, 2020	263	14	6,530	13,933	654	29	14	120	21,557

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Notes:

1. Addition includes borrowing cost capitalized in Plant and Machinery amounting to Rs. 152 Lacs (Previous year Rs. Nil)
2. Additions to Plant and Machinery include trial run expenditure of Rs. 935 Lacs (Previous year Rs. Nil) capitalized.
3. The lease period for lease hold land is 99 years.
4. Property, Plant and Equipment of the Company are provided as security against the secured borrowings of the Company as detailed in Note 13 and 15 to the financial statement.

2B Capital Work in Progress

Particulars	Amount
Balance as at March 31, 2019	8,515
Balance as at March 31, 2020	1,200

The Company will commence depreciation of the cost of the Project and will cease to capitalize the expenses on the Project when the assets are available for use in the manner as intended by the Management, i.e. when all the Quality of Service parameters set by the Management are met.

Capital Work in Progress include:

- i) Rs. Nil (previous year Rs. 6,556 Lacs) on account of capital goods inventory.
- ii) Rs. 1,200 Lacs (previous year Rs. 1,959 Lacs) on account of project development expenditure including trial run loss of Rs. Nil (previous year Rs. 549 Lacs).

3 Intangible assets

Details of Intangible assets are as under:

Particulars	Computers Software
Gross Carrying amount:	
Deemed cost as at April 01, 2018	32
Additions	2
Disposals	-
Balance as at March 31, 2019	34
Additions	298
Disposals	-
Balance as at March 31, 2020	332
Accumulated depreciation:	
Balance as at April 1, 2018	32
Additions	1
Disposals	-
Balance as at March 31, 2019	33
Additions	4
Disposals	-
Balance as at March 31, 2020	37
Net carrying amount	
Balance as at March 31, 2019	1
Balance as at March 31, 2020	295

Note:

1. The above Intangible Assets are other than internally generated.
2. Balance Useful life of Intangible Assets is 1 – 3 years.

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4 Income tax assets (net)

Particulars	As at March 31, 2020	As at March 31, 2019
Taxes paid (net of provision for tax)	169	223
	169	223

5 Other Non-current assets

Particulars	As at March 31, 2020	As at March 31, 2019
(Unsecured and considered good unless otherwise stated)		
Capital advances	169	323
	169	323

6 Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
(Valued at Lower of Cost or Net Realizable Value)		
Raw Materials	643	3,262
Semi Finished goods	2,860	4,952
Finished goods	1,292	1,216
Stores, spares and packing materials	2,301	2,439
Less: Provision for Obsolescence	(119)	(112)
Stores, spares and packing materials (Net of provision for Obsolescence)	2,182	2,327
Total	6,977	11,758

7 Trade Receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good	1,029	7,136
Credit Impaired	1,131	696
Total	2,160	7,832
Less: Allowance for doubtful trade receivables	(1,131)	(696)
Total	1,029	7,136

(Formerly known as RMG Alloy Steel Limited)

8 Cash and Cash Equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks -		
In Current Accounts	1	1
Cash on hand	8	2
Total	9	3

9 Bank Balance Other than Cash and Cash Equivalent

Particulars	As at March 31, 2020	As at March 31, 2019
Other bank balances:		
Bank Deposit		
In Margin Deposit Accounts*	306	1,052
Interest accrued on deposit	23	10
Total	329	1,062

*Above FD's shown in Margin Deposit Accounts are Lien Mark.

10 Other Current Assets

Particulars	As at March 31, 2020	As at March 31, 2019
(Unsecured and considered good unless otherwise stated)		
Security deposit	83	93
Loans & Advances to employees	7	4
Other Claim receivable/recoverable	135	213
Balances with statutory / government authorities	587	1,131
Advances to suppliers – considered good	173	470
Advances to suppliers – credit impaired	-	10
	173	480
Less: Provision on Advances to Suppliers	-	(10)
Advance to Supplier (Net of Provision)	173	470
Prepaid Expenses	68	157
Total	1,053	2,068

(Formerly known as RMG Alloy Steel Limited)

11 Equity Share capital

Particulars	As at March 31, 2020		As at March 31, 2019	
	No of shares	(Rs. In Lacs)	No of shares	(Rs. In Lacs)
Authorised:				
Equity shares of Rs. 6 each	55,00,00,000	33,000	51,00,00,000	30,600
Preference Shares of Rs.10 each	23,50,00,000	23,500	25,90,00,000	25,900
	56,50,00,000	56,500	56,50,00,000	56,500
Issued , Subscribed and Paid up:				
Equity shares of Rs.6 each	48,90,08,690	29,341	34,66,94,164	20,802
Total	48,90,08,690	29,341	34,66,94,164	20,802

a) Shares Pledge Details

Sr. No	Particulars	As at March 31, 2020	As at March 31, 2019
1	No of Shares Pledged by Promoter Group Companies	12,48,32,750	10,40,08,249

b) Reconciliation of the Number of Shares

Equity Shares : Face value of Rs. 6 each	As at March 31, 2020		As at March 31, 2019	
	No of shares	(Rs. In Lacs)	No of shares	(Rs. In Lacs)
As at beginning of the year	34,66,94,164	20,802	10,84,35,840	6,506
Shares issued during the year	14,23,14,526	8,539	23,82,58,324	14,296
Buyback/forfeiture/reduction shares	-	-	-	-
Outstanding at the end of the year	48,90,08,690	29,341	34,66,94,164	20,802

c) Details of shareholder holding more than 5% shares

Name of the Shareholders	As at March 31, 2020		As at March 31, 2019	
	No of shares	% Held	No of shares	% Held
Equity Shares				
Welspun Steel Limited	24,35,90,034	49.81%	15,55,47,034	44.87%
Dilipkumar Lakhi	12,21,33,333	24.98%	8,65,00,000	24.95%

(Formerly known as RMG Alloy Steel Limited)

d) Rights, Preference and Restriction attached to shares

Equity Shares:

The Company has 48,90,08,690 equity share having par value of Rs. 6/- each fully paid up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends, if any, in Indian rupees. The dividend proposed if any, by the board of Directors is subject to the approval of the Shareholders in ensuing annual general meeting.

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

12 Other Equity

Particulars	Reserves and Surplus			Other Comprehensive Income		Share Application Money Pending Allotment	Warrants	Total
	Retained Earnings	Securities Premium	Share options outstanding account (refer note 32)	Effective portion of cash flow hedge	Remeasurements of net defined benefit plan			
Balance as at April 01, 2018	(56,402)	-	-	-	(21)	17,335	-	(39,088)
(Loss) for the year	(2014)	-	-	-	-	-	-	(2,014)
Other comprehensive income for the year	-	-	-	(127)	(8)	-	-	(135)
Issue of Equity Shares	-	-	-	-	-	(17,355)	-	(17,355)
Share Option Expense	-	-	166	-	-	-	-	166
Securities premium on Issue of Equity Shares	-	14,295	-	-	-	-	-	14,295
Share Warrants Issues	-	-	-	-	-	-	2,082	2,082
Balance as at March 31, 2019	(58,416)	14,295	166	(127)	(29)	-	2,082	(42,028)
(Loss) for the year	(8,137)	-	-	-	-	-	-	(8,137)
Other comprehensive income for the year	-	-	-	162	(32)	-	-	130
Share Option Expense	-	-	107	-	-	-	-	107
Share Issued Against ESOP	-	-	(112)	-	-	-	-	(112)
Securities premium on Issue of Equity Shares	-	10,772	-	-	-	-	-	10,772
Share Warrants Issues	-	-	-	-	-	-	7,757	7,757
Equity share issued against Share Warrants	-	-	-	-	-	-	(8,329)	(8,329)
Balance as at March 31, 2020	(66,553)	25,067	161	35	(61)	-	1,510	(39,841)

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Nature and Purpose of Other Reserves:

(a) Securities Premium

This reserve is used to record the premium on issue of shares. The same can be utilized in accordance with the provisions of the Act.

(b) Other Comprehensive Income

It includes remeasurement gains / (losses) arising on defined benefit plans, net of taxes that will not be reclassified to profit and loss.

Further it also includes effective portion of cash flow hedge which will be classified to profit and loss on its settlement.

(c) Share Application Money pending allotment

It represents application money received on shares in accordance with the provisions of Companies Act 2013. The same is utilized in accordance with the provisions of the Companies Act 2013.

(d) Share Warrants

This reserve represents the share warrants issued pursuant to the provisions of the Companies Act 2013. The same can be utilized in accordance with the provisions of the Companies Act 2013.

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13 Borrowings

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current maturities	Non-current	Current maturities
Secured				
Indian Rupee term loans from banks	6,614	560	2,668	146
Unsecured				
Sales Tax Deferred Loan	-	104	104	104
Redeemable Preference Shares				
of Rs.10/- each fully paid up	15,221	4,695	23,042	-
Total	21,835	5,359	25,184	250

Secured:

- a) Rupee Term Loan of Rs. 4,504 Lacs (Previous year Rs. Nil) is secured by way of:
- First Pari Passu charge on all Fixed Assets of the Company both present and future.
 - Second Pari Passu charge on all current assets of the Company both present and future.
 - Pledge of 12,48,32,750 shares of Welspun Steel Limited (Promoter of the Company).
 - Corporate Guarantee by Welspun Steel Limited.
- b) Rupee Term Loan of Rs. 2,670 Lacs (Previous year Rs. 2,814 Lacs) is secured by way of:
- Equitable mortgage charge on all the immoveable and moveable properties of the Company both present and future.
 - Second Charge on all current assets on the Company.
- c) Rupee Term Loans carry interest at bank prime lending rate /base rate/ MCLR plus margin. Loans of
- Rs. 2,670 Lacs (Previous year Rs. 2,814 Lacs) are repayable in remaining 22 quarterly installments starting from March 2020 and ending on July 2025.
 - Rs. 4,504 Lacs (Previous year Rs. Nil) are repayable in remaining 21 quarterly installments starting from March 2020 and ending on June 2025
- d) The Interest rate varies between 10.00% to 13.00 %

Unsecured:

Sales Tax Deferred Loan is repayable from April 2015 in six equal annual installments.

a) Details of Preference Shareholders (long term and short term)

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i. Reconciliation of the Number of Shares

Particulars	As at March 31, 2020		As at March 31, 2019	
	No of shares	(Rs. In Lacs)	No of shares	(Rs. In Lacs)
Preference Shares :				
Face value of Rs. 10 each				
As at beginning of the year	19,91,96,271	19,920	8,89,04,271	8,891
Shares issued during the year	-	-	26,50,92,000	26,509
Buyback/forfeiture/reduction shares	10,29,92,000	10,299	15,48,00,000	15,480
Outstanding at the end of the year	9,62,04,271	9,621	19,91,96,271	19,920

ii. Details of Preference Shareholders holding more than 5% shares

Particulars	As at March 31, 2020		As at March 31, 2019	
	No of shares	% Held	No of shares	% Held
Right Growth Trading Pvt. Ltd.	5,09,04,271	52.91%	5,09,04,271	25.55%
MGN Agro Properties Pvt. Ltd.	60,00,000	6.24%	80,00,000	4.02%
Welspun Steel Ltd. (Refer Note v. below)	3,93,00,000	40.85%	8,65,92,000	43.47%
Dilipkumar Lakhi	-	-	2,72,00,000	13.65%
Ritesh Vilasrao Deshmukh	-	-	1,00,00,000	5.02%

iii. Rights, Preference and Restriction attached to shares

Preference Shares:

The Cumulative Redeemable Preference Shares carry dividend of 12% per annum;

- The Cumulative Redeemable Preference Shares 4,02,42,857 are redeemable with premium of Rs. 25 per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment (i.e. 19th February 2013).
- The Cumulative Redeemable Preference Shares 42,85,714 are redeemable with premium of Rs.25 per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment (i.e. 11th February 2014).
- The Cumulative Redeemable Preference Shares 63,75,700 are redeemable with premium of Rs.25 per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment (i.e. 11th November 2014).
- The Cumulative Redeemable Preference Shares 60,00,000 are redeemable with premium of Rs.25 per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment (i.e. 23rd October 2015).

The Non-Cumulative Redeemable Preference Shares carry dividend of 0% per annum;

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- v. The Non-Cumulative Redeemable Preference Shares 3,93,00,000 are redeemable at par on or before 15 months from the date of allotment (i.e. 26th September 2018).
- vi. **Unless the company makes profits exceeding its accumulated losses, the preference shareholders are not eligible to claim dividend on the aforesaid preference shares.**

14 Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits: (Refer Note: 32)		
Provision for Leave encashment	36	43
Provision for Gratuity	81	138
Total	119	181

15 Borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
Secured Loan		
From Banks		
Working Capital Loan	3,176	429
Unsecured Loan		
Working Capital Loan from Banks	-	800
Loan from Related Parties (Refer Note: 36)	1,983	-
Supplier Finance Facility	1,119	2070
Preference Shares (Refer Note: 13)	3,930	11,604
Total	10,208	14,903

Security :

- a) Working capital loans from Banks are secured by way of first charge against Current Assets and second charge against Fixed Assets of the Company.
- b) Pledge of 12,48,32,750 shares of Welspun Steel Limited (Promoter of the Company).
- c) Corporate Guarantee by Welspun Steel Limited.

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16 Trade Payables

Particulars	As at March 31, 2020	As at March 31, 2019
Micro, Small & Medium Enterprises	9	10
Others	4,080	12,575
Total	4,089	12,585

The Company has amounts due to suppliers under the Micro, Small & Medium Enterprises Development Act 2006 (MSMED Act) as at March 31, 2020.

The disclosure pursuant to said act is as under:

Particulars	As at March 31, 2020	As at March 31, 2019
Principal amount remaining unpaid	9	10
Interest due thereon	-	-
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Interest accrued and remaining unpaid	-	-
Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the company.

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17 Other Financial Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Current Maturities of long-term debt	664	250
Current Maturities of Preference Shares	4,695	-
Interest accrued on borrowing	558	381
Employees dues payable	183	41
Creditors for Capital Expenditure	180	337
Advance received against share warrant	-	6,247
Other financial liability payable	-	127
Total	6,280	7,383

18 Other Current Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Advances received from customers and others	328	169
Statutory dues payable	50	88
Provision for Expenses	263	486
Security deposit	51	603
Total	692	1,346

19 Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits: (Refer Note: 32)		
Provision for Leave encashment	21	18
Provision for Gratuity	46	52
Total	67	70

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20 Revenue from operations

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Sales of products:		
Finished goods	25,908	43,333
Trading Sales	1,486	454
	27,394	43,787
Other operating revenues:		
Exports Incentives	1	4
Other Revenue	2,122	284
	2,123	288
Total	29,517	44,074

21 Other Income

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Interest from Bank & others	110	307
Miscellaneous Income	14	75
Profit on sales of Investment	-	13
Provision no longer required/Sundry Balance		
Written back	359	-
Total	483	395

22 Cost of Materials Consumed

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Cost of Raw materials consumed (Refer Note: 22a)		
Inventory at the beginning of the year	3,262	888
Add: Purchases	15,936	31,266
Less: Inventory at the end of the year	(643)	(3,262)
Total	18,555	28,892

(Formerly known as RMG Alloy Steel Limited)

a) Details of Raw Materials Consumed:

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Metallic's	12,681	22,864
Ferro Alloys	3,385	5,188
Others	2,489	840
Total	18,555	28,892

23 Changes in inventories of finished goods and work-in-progress

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Inventories (at beginning)		
Finished Goods	1,216	206
Semi Finished Goods	4,952	3,065
Total (a)	6,168	3,271
Inventories (at close)		
Finished Goods	1,292	1,216
Semi Finished Goods	2,860	4,952
Total (b)	4,152	6,168
Net (Increase)/Decrease		
Finished Goods	(76)	(1,010)
Semi Finished Goods	2,092	(1,887)
Total (a+b)	2,016	(2,897)
Change In Inventory of SS & Pipe for Trial Run	1,022	796
Grand Total	3,038	(2,101)

Details of Finished Goods and Semi Finished Goods.

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Finished Goods		
Steel	958	971
Pipe	334	245
	1,292	1,216
Semi Finished Goods		
Steel	1,822	4,399
Pipe	1,038	553
	2,860	4,952

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24 Employee benefits expense

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Salaries and Wages	3,047	2,226
Contributions to Provident and Other Funds	142	121
Contributions to Gratuity (Refer Note 31)	31	40
Leave Encashment	35	23
Staff Welfare Expenses	107	85
Total	3,362	2,495

25 Finance cost

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Interest on Term Loan	686	411
Interest on Working Capital Loan	496	432
Interest on Inter Company Deposit	118	-
Other Borrowing Cost	241	102
Total	1,541	945

26 Depreciation and Amortization Expense

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Depreciation on Property, Plant and Equipment	1,028	667
Amortization on Intangible Assets	4	1
Total	1,032	668

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27 Other Expenses

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Manufacturing and Other Expenses		
Consumption of stores & spares	2,684	6,317
Power and Fuel Expenses	4,940	8,768
Labour charges	509	530
Equipment hire charges	116	103
Job Work Expenses	132	723
Freight and forwarding charges	173	397
Repairs to buildings	24	48
Repairs to plant and machinery	94	144
Other repairs	18	40
Insurance	96	69
Communication Expenses	32	34
Provision Bad & Doubtful Debts	455	65
Rates and taxes	187	196
Travelling and conveyance	95	64
Vehicle Expenses including Hire Charges	141	105
Listing Fees	12	15
Professional and consulting charges	217	225
Director Sitting Fees	4	5
Auditors Remuneration		
-Audit Fees	9	8
-Tax Audit Fees	2	1
-Certification Fees	1	1
Exchange rate difference (net)	22	(26)
Selling and distribution expenses	6	1
Brokerage & Commission	3	3
Printing & Stationery	17	12
Security charges	57	53
Safety Expenses	16	3
Loss on sale/discard of assets (net)	-	115
Miscellaneous expenses	103	61
Total	10,165	18,080

28 Exceptional Items – Income (Net):

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Waiver Of Term Loan #	-	3,091
Reversal of Input Tax Credit *		(142)
Refund of Purchase Tax and Incentive \$	1,057	-
Total	1,057	2,949

During the year ended March 31, 2019, the Company paid Rs. 29,458 Lacs to lenders and got waiver of Rs. 3,091 Lacs..

* As per the recent Judgment of Supreme Court of India in case of Civil Appeal Nos 13047-13048 of 2017 held that reduction in input tax credit in case of sale in course of inter-state would be applied whenever a case gets covered by sub-clause (ii) and again when sub-clause (iii) of section 11(3) of Gujarat Value Added tax Act, 2003 is attracted. Accordingly during the year ended March 31, 2019 the Company has calculated and reversed Vat refundable amount of Rs 142 Lacs pertaining to the earlier years.

\$ On account of completion of Value Added Tax Assessment for FY 2014-15, the Company has received Rs. 78 Lacs against refundable amount of Rs. 102 Lacs, resulting into short refund of Rs. 24 lacs. Further the Company has reversed provision of Rs. 15 Lacs made in previous year 2018-19, resulting net impact of Rs. 9 Lacs as on March 31, 2020. The Company has received Rs. 1,066 Lacs in during the year ended March 31, 2020 as per eligibility certificate no. IC/IM/VSIE/416337/2019/156706 dated 27th August 2019 on account of balance unutilized incentive already approved under 1990-95 Pioneer Unit scheme.

29 Going Concern

The Company expects improvement in operational performance on the basis of building of order book position on account of capex incurred for value adding facilities. Further our continued thrust to improve operational efficiency and initiative to raise funds are expected to result in sustainable cash flows. Accordingly, inspite of losses incurred during the year ended March 31, 2020, the financial statements have been prepared on a going concern basis and no adjustments are required to the carrying amount of assets and liabilities.

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30 Earnings per share

Particulars	As at March 31, 2020	As at March 31, 2019
Earnings Per Share has been computed as under	(Rs. in Lacs)	(Rs. in Lacs)
(Loss) for the year	(8,137)	(2,014)
Less: Cumulative Dividend on 12% Cumulative Redeemable Preference Shares (Refer Note 13)	(612)	(707)
Net (Loss) for the year considered for calculating Earnings per share	(8,749)	(2,721)
Weighted Average Number of equity shares outstanding		
- Basic	43,96,65,706	30,81,81,175
- Diluted	45,43,41,801	36,74,14,999
Face value per share in Rs.	6	6
Basic earnings per share in Rs.	(1.99)	(0.88)
Diluted earnings per share in Rs.	(1.99)	(0.88)

The Diluted EPS being anti-dilutive in nature, hence the computation of Diluted EPS has been ignored

31 Employee Benefits

As per Ind AS "Employee Benefits" (Ind AS - 19), the disclosures of Employee Benefits as defined in the Standard are given below:

1. Defined contribution plans

The Company makes contributions at a specified percentage of payroll cost towards Employees Provident Fund (EPF) for qualifying employees.

The Company has recognised the following amounts in the Statement of Profit & Loss.

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Employer's Contribution to Provident Fund	142	121
Total	142	121

2. Defined Benefit Plans

Gratuity is payable to all eligible employees of the company on superannuation, death and resignation in terms of the provision of the payment of Gratuity Act. The present value of obligations is determined based on actuarial valuation using Projected Unit Credit Method, which recognized each period of service as given rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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As per Ind AS "Employee Benefits" (Ind AS - 19), the disclosures of Employee Benefits as defined in the Standard are given below:

Particulars	As at March 31, 2020	As at March 31, 2019
A) Amount recognised in the Balance Sheet		
Gratuity:		
Present value of obligations	127	190
Fair Value of plan assets	-	-
Net assets / (liability) recognized in balance sheet as provision	(127)	(190)
B) Statement of Profit and loss for current year		
Gratuity:		
Employee Benefit Expense :		
Current service cost	17	28
Net interest cost	14	12
Total Expense	31	40
Other Comprehensive income		
Actuarial loss/(gain) on obligation	32	8
Expense recognized in Total Other Comprehensive Income	63	48
C) Reconciliation of defined benefit obligation		
Gratuity:		
Opening Defined Benefit Obligation	190	152
Current Service cost	17	28
Interest cost	14	12
Actuarial loss/(gain) on obligation	32	8
Benefits paid	(126)	(10)
Closing Defined Benefit Obligation	127	190
D) Bifurcation of liability as per schedule III		
Gratuity:		
Current Liability	46	52
Non-Current Liability	81	138
Net Liability	127	190
E) Principle actuarial assumptions	%	%
Discount Rate	6.91%	7.66%
Salary Growth Rate	4.00%	4.00%
Withdrawal Rates		
Upto 35 Years	30.00%	30.00%
From 36 to 45 Years	30.00%	23.00%
Above 46 Years	30.00%	22.00%

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	March 31, 2020		March 31, 2019	
F) Sensitivity to key assumptions	DBO	Change in DBO (%)	DBO	Change in DBO (%)
Gratuity:				
Discount rate varied by 0.5%	127		190	
+0.5%	(1.66)	-5.5%	(10.53)	-5.5%
-0.5%	1.70	6.1%	11.50	6.1%
Salary growth rate varied by 0.5%	127		190	
+0.5%	1.74	6.3%	11.87	6.3%
-0.5%	(1.71)	-5.8%	(10.93)	-5.8%

G) Profit and loss account for subsequent period	March 31, 2021
Service cost	22
Net interest cost	8
Total included in 'Employee Benefit Expense'	30

H) Maturity Profile of Defined Benefit Obligation	Amount
Gratuity:	
2021	75
2022	73
2023	90
2024	118
2025	119

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32. Share Based Payments

Employee Stock Option Plan of Welspun Specialty Solutions Limited (formerly known as RMG Alloy Steel Limited)

During the year ended March 31, 2019, the Company had instituted an RMG Alloy Steel Limited Employee Stock Option (Senior Management Personnel) Scheme, 2018 as approved by the shareholders dated May 15, 2018 for grant of stock option to senior managerial personnel of the Company.

Subject to terms and condition of the scheme, options are classified into three categories.

Particulars	Option A	Option B	Option C
No. of Options	6,23,700	6,23,700	5,34,600
Method of accounting	Fair Value	Fair Value	Fair Value
Vesting plan	1 Year	2 Years	3 Years
Grant date	01 st June 2018	01 st June 2018	01 st June 2018
Vesting date	01 st June 2019	01 st June 2020	01 st June 2021
Exercise/Expiry date	01 st June 2022	01 st June 2023	01 st June 2024
Grant/Exercise price	Nil	Nil	Nil
Method of settlement	Equity – settled	Equity – settled	Equity – settled

Movement of options granted (in units)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	12,52,000	-
Granted during the year	-	17,82,000
Exercised during the year	4,38,200	-
Forfeited/Lapse during the year	-	5,30,000
Closing balance	8,13,800	12,52,000
Vested	4,38,200	-

During the year ended March 31, 2020, the Company has recognised share option expenses in Statement of Profit & Loss of Rs. 107 lacs. During the year, two employees availed the Employee Stock Option (Senior Management Personnel) Plan 2018 and were issued 4,38,200 Equity Shares at Rs. 25.5 each (including premium of Rs. 19.5 each), amounting to Rs. 112 Lacs and were subscribed and fully paid up.

The model inputs for fair value of option granted as on the grant date:

Particulars	Option A	Option B	Option C
Exercise price*	0.001	0.001	0.001
Dividend yield	0%	0%	0%
Risk free interest rate – Annual	7.84%	7.84%	8.02%
Expected volatility – Annual	56.85%	56.85%	56.85%
Fair value per option	25.50	25.50	25.50
Model used	Black Scholes	Black Scholes	Black Scholes

* Welspun Specialty Solutions Ltd (Erstwhile RMG Alloy Steel Limited) has granted Stock options at nil cost to the employees of company and thereby Exercise Price is Nil. But for computation purpose under Black Scholes Valuation, we have assumed the Exercise Price as 0.001.

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33 Additional Information

Pursuant to the provisions of 5(viii)(c) of Part II of Schedule III to the Companies Act, 2013:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount	(%)	Amount	(%)
A) Value of Raw Material Consumed				
-Imported	1,642	8.85%	2,858	9.63%
-Indigenous	16,913	91.15%	26,830	90.37%
Total	18,555		29,688	
B) Value of Stores & Spares Consumed				
-Imported	278	10.36%	376	5.96%
-Indigenous	2,406	89.64%	5,941	94.04%
Total	2,684		6,317	

34 Contingent liabilities and commitments

Particulars	As at March 31, 2020	As at March 31, 2019
Capital Commitments not provided for (Net of advances)	395	1,569
Bank Guarantees	515	641
Bills Discounted	126	125
Service Tax	1	128
Disputed Sales Tax Demands	20	20
Claim against the Company not acknowledged as debts	472	458
Dividend on Cumulative Redeemable Preference Shares (CRPS) (Refer note 13)	4,164	3,881

35 Segment Reporting

The Company operates in a single business segment i.e. manufacture of steel and steel products such as seamless tubes and rolled products and as such there are no separate reportable segments as per the requirement of (Ind AS - 108) on "Operating Segment". The Company's business is predominantly confined within India and has no reportable geographical segment.

Detail of customer contributing 10% or more of total revenue.

Particulars	March, 2020	
	Total Sale Value	% of Revenue
Shree Yash Stainless Pvt. Ltd.	4,289	14.53%
Particulars	March, 2019	
	Total Sale Value	% of Revenue
Mahindra CIE Automotive Limited	6,823	15.64%

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36 Related Party Disclosure

Parties where Control exists: None

Other Related Parties with whom transactions have taken place during the year:

Name of related party	Relationship
Welspun Steel Ltd. Rank Marketing LLP MGN Agro Properties Pvt. Ltd. Welspun Corp Ltd. Welspun India Ltd. Welspun Advanced Textiles Ltd. Welspun Global Brands Ltd.	Enterprise having significant influence over the Company
Key Managerial Personnel	
Anuj Burakia	Whole Time Director
Narendra Bhandari	Chief Finance Officer
Rashmi Mamtura	Company Secretary
Non Executive Director	
Atul Desai	Non Executive Director & Independent Director
Balkrishan Goenka	Chairman & Non Executive Director
Prakash Tatia	Non Executive Director
Amita Karia	Non Executive Director & Independent Director
Narayana Rao Myneni	Non Executive Director & Independent Director

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Transactions with related parties:

Particulars	For the Year Ended March 31, 2020		For the Year Ended March 31, 2019	
	Enterprise/person having significant influence	Key Management Personnel and others	Enterprise/person having significant influence	Key Management Personnel and others
Welspun Steel Limited				
Purchases	51		12,645	
Reimbursement Made	344		-	
Sales	2,118		964	
Loan received	5,599		5,467	
Loan repaid	2,116		377	
Interest on Inter Company Deposit	118		196	
Loan converted into preference share	-		8,459	
Preference share issue	-		200	
Loan/Preference share redemption amount utilised for issuance of Equity shares	5,419		13,476	
Loan/Preference share redemption amount utilised for issuance of share warrant	810		6,230	
Equity Share issued against Share Warrant	6,230		-	
Welspun Corp Ltd.				
Reimbursement Made	3		-	
Reimbursement Received	2		-	
Service Paid	9		-	
Purchase	6		-	
Sales	***		-	
MGN Agro Properties Pvt. Ltd.				
Preference share redemption amount utilised for issuance of share warrant	700		-	
Welspun India Ltd.				
Purchase	5		-	
Welspun Advanced Textiles Ltd.				
Sales	3		-	
Welspun Global Brands Ltd.				
Purchases	1		-	

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Remuneration				
Narendra Kumar Bhandari		6		6
Rashmi Mamtura		2		1
Nilesh Javker		-		1
Employee Stock option Purchase				
Anuj Burakia (Refer Note 32)		75		**
Director Sitting Fees				
Atul Desai	2			2
Ashok Jain	-			1
Amita Karia	1			1
Aneel Lasod	-			*
Hanuman Kanodia	-			#
Narayana Rao Myneni	1			1

* In Current Year Paid of Rs. 30,000 and Previous year paid Rs. 40,000.

In Current Year Paid of Rs. 30,000 and Previous year paid Rs. 30,000.

** During the previous year the company has granted 835,000 Employee Stock Options ("ESOP") under RMG Alloy Steel Ltd Employee Stock Options (Senior Management Personnel) Scheme 2018 (Refer Note 32)

*** WCL sales Rs. 32,419/-

Outstanding Balance with related parties:

Welspun Steel Ltd.	As at March 31, 2020	As at March 31, 2019
Trade Payable	225	3,555
Inter Corporate Deposit	1,983	-
Interest accrued	474	367
Preference shares	3,930	8,659
Share Warrants	810	6,230

Outstanding Balance with related parties:

Particulars	As at March 31, 2020	As at March 31, 2019
Welspun Corp Ltd.		
Trade Receivable	1	-
Welspun India Ltd.		
Trade Payable	4	-
Welspun Advanced Textiles Ltd.		
Trade Receivable	3	-
MGN Agro Properties Pvt. Ltd.		
Preference Shares	2,100	2,800
Share Warrants	700	-

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37 Tax Expenses

a) Amounts recognised in profit and loss

Particulars	2019-20	2018-19
Current income tax		
Current Year	-	-
Prior Period excess paid	-	-
Deferred income tax liability / (asset), net	-	-
Deferred tax expense	-	-
Income Tax expense reported in statement of profit and loss	-	-

b) Amounts recognised in other comprehensive income

Particulars	2019-20			2018-19		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of Tax
Items that will not be reclassified to profit or loss						
Net Gain / (Loss) on fair value change on derivative designated as cash flow hedge	162	-	162	(127)	-	(127)
Net Gain / (Loss) on Re-measurements of the defined benefit plans	(32)	-	(32)	(8)	-	(8)
	130	-	130	(135)	-	(135)

c) Reconciliation of tax expense and the accounting profit multiplied by effective tax rate:

Particulars	2019-20	2018-19
Accounting Profit/ (loss) before Income Tax	(8,137)	(2,014)
Tax using the Company's domestic tax rate March 31, 2020: 26% (March 31, 2019: 30.90%)	2,116	622
Tax effect of:		
Tax effect of current year losses on which no deferred tax asset is recognized	(2,116)	(622)
Net effective income tax	-	-

38 Deferred Tax (Liabilities)/Assets (Net)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liability		
Related to Fixed Assets	2,080	1,642
Deferred Tax Asset		
Other Disallowances under Income tax Act, 1961	415	382
Unabsorbed Depreciation/Business Loss (Refer note below)	1,665	1,260
Net Deferred Tax Liability	-	-

Note: Deferred Tax Asset on account of unabsorbed depreciation and business loss has been recognized to the extent it can be realized against reversal of deferred tax liability.

Unused tax losses and unabsorbed depreciation on which no deferred tax asset is recognized in Balance Sheet

Particulars	As at March 31, 2020	As at March 31, 2019
Unused Tax losses	28,288	26,494
Unabsorbed Tax depreciation	39,464	35,744
Total	67,752	62,238

(1) Unabsorbed depreciation does not have any expiry period under the Income Tax Act 1961.

(2) The Tax benefits for the losses would expire if not utilized starting from financial year 2020-21 to 2026-27.

(3) No Deferred Tax Asset is recognized in absence of reasonable certainty that taxable income will be generated by the Company to offset the losses.

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39 Financial Instruments

Accounting Classification and Fair Value Measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks/financial institutions/others approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Particulars	Carrying Amount	Fair Value		
	As at March 31, 2020	Level 1	Level 2	Level 3
Financial assets at amortised cost				
Trade receivables	1,029	-	-	-
Cash and cash equivalents	9	-	-	-
Bank balance other than cash and cash equivalent	329	-	-	-
Other financial assets	1,053	-	-	-
Financial assets At fair value through profit and loss				
Investments	-	-	-	-
Total	2,420	-	-	-

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Financial liabilities				
Long term Borrowings	21,835	-	-	-
Short term Borrowings	10,208	-	-	-
Trade payables	4,089	-	-	-
Other financial liabilities	6,280	-	-	-
Total	42,412	-	-	-
Particulars	Carrying Amount	Fair Value		
	As at March 31, 2019	Level 1	Level 2	Level 3
Financial assets at amortised cost				
Trade receivables	7,136	-	-	-
Cash and cash equivalents	3	-	-	-
Bank balance other than cash and cash equivalents	1,062	-	-	-
Financial assets At fair value through profit and loss				
Investments	-	-	-	-
Total	8,201	-	-	-
Financial liabilities				
Long term Borrowings	25,814	-	-	-
Short term Borrowings	14,903	-	-	-
Trade payables	12,585	-	-	-
Other financial liabilities	7,383	-	-	-
Total	60,685	-	-	-

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40 Financial risk management objectives and policies

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables, and other financial assets. The maximum exposure to credit risk is: the total of the fair value of the financial instruments and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks is limited because the counterparties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings.

As disclosed in Note 8, cash and cash equivalents balances generally represent short term deposits with a less than 90-day maturity.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 90-360 days. But some customers take a longer period to settle the amounts.

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Exposure to credit risk

Financial asset for which loss allowance is measured using expected credit loss model

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets		
Cash and Cash Equivalent	9	3
Bank Balances other than above	329	1,062
Trade Receivables	1,029	7,136
Total	1,367	8,201

Ageing analysis of the age of trade receivable amounts that are past due as at the end of reporting year but not impaired:

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables:		
Less than 90 days	550	6,723
90 to 180 days	97	147
Over 180 days	382	266
Total	1,029	7,136

In the opinion of management, Trade Receivable, Cash and Cash Equivalents, Balance with Bank, Loans and other financial assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

The Company has recognized Rs. 1,131 Lacs (Previous year Rs. 696 Lacs) towards any loss allowance as the Company expect that there is no credit loss on trade receivables.

41 Foreign currency risk

The Company has Sales and Purchase in foreign currency. Consequently, the Company is exposed to foreign exchange risk.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

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Foreign currency exposures specifically covered by forward exchange contracts as at year end are as follows:

Derivatives contracts outstanding

Currency	As at March 31, 2020		As at March 31, 2019	
Forward contracts to buy USD	USD in Lacs	9	USD in Lacs	65
Forward contracts to buy EURO	EURO in Lacs	4	-	-

Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

Foreign currency exposures not specifically covered by forward exchange contracts as at year end are as follows:

Currency	As at March 31, 2020		As at March 31, 2019	
	Foreign currency	Rs. in Lacs	Foreign currency	Rs. in Lacs
USD	(1)	(44)	(3)	(177)
EURO	2	155	(1)	(41)

Foreign currency sensitivity

1 % increase or decrease in foreign exchange rates will have the following impact on profit/(loss) before tax

Currency	As at March 31, 2020		As at March 31, 2019	
	1 % increase (Rs. in Lacs)	1 % decrease (Rs. in Lacs)	1 % increase (Rs. in Lacs)	1 % decrease (Rs. in Lacs)
USD	(#)	#	2	(2)
EURO	2	(2)	*	*

#Rs. 44,454

*Rs. 40,690

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Company has interest rate risk exposure mainly from changes in rate of interest on borrowing & on deposit with bank. The interest rate is disclosed in the respective notes to the financial statements of the Company. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107. The following table analyse the breakdown of the financial assets and liabilities by type of interest rate:

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Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets		
Interest bearing - Fixed interest rate		
- Non current investment	-	-
- Non current fixed deposit	-	-
- Current fixed deposit	306	1,052

Particulars	As at March 31, 2020	As at March 31, 2019
Financial Liabilities		
Interest bearing		
Borrowings - Floating interest rate		
Working capital loan in rupee	3,176	1,229
Borrowings - Fixed interest rate		
-Loan	7,174	2,814
-Supplier finance facility	1,119	2,069
-Inter Company Loan	1,983	-

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the Company's profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Increase in 50 bps points		
Effect on profit/(loss) before tax	(16)	(6)
Decrease in 50 bps points		
Effect on profit/(loss) before tax	16	6

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

The Company maximum exposure to credit risk for the components of the balance sheet at March 31, 2020 and March 31, 2019 is the carrying amounts. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 90 days. The other payables are with short-term durations. The carrying amounts are assumed to be a reasonable approximation of fair value.

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The following table analysis financial liabilities by remaining contractual maturities:

(Rs. in Lacs)

Particulars	Less than 1 year	More than 1 year	Total
Year ended March 31, 2020			
Borrowings	16,125	21,835	37,960
Other Financial Liabilities	363	-	363
Trade and other payables	4,089	-	4,089
Total	20,577	21,835	42,412
Year ended March 31, 2019			
Borrowings	15,534	30,259	45,793
Other financial liabilities	6,527	-	6,527
Trade and other payables	12,585	-	12,585
Total	34,646	30,259	64,905

At present, the Company does expect to repay all liabilities at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows.

42 Capital Management

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

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

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings	32,043	40,717
Trade Payables	4,089	12,585
Other Financial Liabilities	6,280	7,383
Less: Cash and Cash Equivalents	(9)	(3)
Net debt (a)	42,403	60,682
Total Equity		
Total Member's Capital	(10,500)	(21,227)
Capital and Net Debt (b)	31,903	39,455
Gearing ratio (%) (a/b)*100	132.91	153.80

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43 The outbreak of COVID-19 pandemic has led to restriction of movement of people and industrial activities across the globe, without any limitation of geographical boundaries. The Government of India announced a nationwide lockdown which led to logistic issues and lower demand driven by the shutdown of operations by end users in automotive, construction and other segments. The Company has carried out its initial assessment of the likely adverse impact on economic environment in general and financial risk because of Covid-19 pandemic. As per initial assessment, demands for the Company's products are expected to be lower in the short term, though the same is not likely to have a continuing impact on the business. The Company has commenced operations at plant on 17th April 2020 in a limited scale, after temporary suspension of operation for 24 days post getting requisite permission. The Company has notified the customers of potential delay and has invoked a force majeure provisions to comply with the delivery timelines and liquidated damages. Further, the Management is of the opinion that adverse impact of Covid-19 pandemic on the financial position and performance of the Company, may not remain in the long-term.

The Company does not carry any risk in the recoverability and carrying values of its Assets including Property, Plant & Equipment, Trade receivable and Inventory. The Company does not anticipate any additional liability as at the balance sheet date. However, due to the nature of the pandemic, the Company will closely monitor any material changes to future economic conditions impacting its business.

44 Changes in liabilities arising from financing activities

Disclosure pursuant to para 44A to E of Ind AS 7 – Statement of Cash flow

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Long Term Borrowings (including Current Maturities)		
Opening Balances	26,064	52,249
Availed during the year	4,563	-
Repaid During the year	307	-
Converted to Equity Shares	3,125	-
Closing Balances	27,195	26,064
Short Term Borrowings		
Opening Balances	14,903	27,779
Availed during the year	6,229	-
Repaid During the year	1,751	-
Converted to Equity Shares	8,457	-
Closing Balances	10,208	14,903
Interest Expenses		
Interest Accrued – Opening Balances	381	2,162
Interest Charge as per Statement of Profit and Loss	1,541	945
Interest paid to Lenders	1,364	2,726
Interest Accrued – Closing Balances	558	381

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- 45** During the year ended March 31, 2020, the Company issued 6,94,15,000 Equity Shares at a price of Rs. 12 each (including a premium of Rs. 6 each) amounting to Rs. 8,330 Lacs by conversion of share warrants of an equivalent amount.
- 46** During the year ended March 31, 2020, the Company has redeemed 3,57,92,000 6.5% Redeemable Preference shares of Rs. 10 each aggregating to Rs. 3,579 Lacs and 6,52,00,000 Redeemable Preference Shares of Rs. 10 each amounting to Rs. 6,520 Lacs and utilised the redemption amount for subscription of 7,24,61,326 Equity Shares of Rs. 15 each (including premium of Rs. 9 each) amounting to Rs. 10,869 Lacs including money received from one allottee amounting to Rs. 80 Lacs and loan from Welspun Steel Limited amounting to Rs. 690 Lacs.
- 47** During the year ended March 31, 2020, the Company issued 4,02,66,666 share warrants at the issue price of Rs. 15 each and the 25% subscription of the said warrants was made by utilizing the loan obtained from Welspun Steel Limited to the extent of Rs. 810 Lacs and utilizing redemption proceeds of 20,00,000 12% Cumulative Redeemable Preference Shares of Rs. 10/- each redeemed at a premium of Rs. 25/- per preference shares aggregating to Rs. 700 Lacs.
- 48** Subsequent to balance sheet date, the Company redeemed 4,73,00,000 Preference Shares having redemption value of Rs. 6,030 Lacs and utilized the redemption proceeds towards subscription of balance 75% of the warrants and issued 4,02,66,666 Equity Shares of Rs. 15 each amounting to Rs. 4,530 Lacs to the shareholders. The balance redemption amount of Rs. 1,500 Lacs has been considered as a loan from Welspun Steel Limited.
- 49** Subsequent to balance sheet date, one employees availed the Employee Stock Option (Senior Management Personnel) Plan 2018 and were issued 1,45,950 Equity Shares at Rs. 25.5 each (including premium of Rs. 19.5 each), amounting to Rs. 37 Lacs and were subscribed and fully paid up.

50 Previous Year's Figures

Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date attached

For Pathak H D & Associates LLP

Chartered Accountants

Firm Registration No.: 107783W /W100593

Vishal D. Shah

Partner

Membership No.119303

Place: Mumbai

Date: June 18, 2020

For and on behalf of the Board of Directors

Anuj Burakia

Whole time Director

DIN: 02840211

Prakash Tatia

Director

DIN: 06559106

Narendra Kumar Bhandari

Chief Financial Officer

Rashmi Mamtura

Company Secretary

FCS: 8658



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