TRL KROSAKI

62ND ANNUAL REPORT 2020-2021

Awards & Accolades

Sarvashreshtha
Suraksha Puraskar 2020

ICC Social Impact
Award 2021

CII ESH Award 2020

State Export Award

Tata Innovista Most
Innovative Partner
Award 2020

Golden Peacock
HR Excellence
Award 2020

Contents

Board of Directors

(As on 28th July, 2021)

Mr. H. M. Nerurkar	Chairman
Mr. P. B. Panda	Managing Director
Mr. Sudhansu Pathak	
Ms. Shuang Zhu	
Mr. Hisatake Okumara	
Mr. Sachihiko Asaya	
Mr. Jumpei Konishi	
Mr. Anirban Dasgupta	
Mr. Pradeep Vasudeo Bhide	Independent Director
Mr. Raghupathy Ranganath Rao	Independent Director

Senior Executives

Mr. S. Sengupta	Executive Vice President (Sales, Marketing & Customer Care)
Mr. H. Sehgal	Executive Vice President (Operations)
Mr. M. V. Rao	Sr. Vice President (Finance) & CFO
Mr. Sambit Mishra	Company Secretary

Registered Office

Belpahar- 768218
Dist: Jharsuguda (Odisha)
Phone No.: 06645-258417
Fax: 06645-250254

Principal Bankers

State Bank of India
Central Bank of India
HDFC Bank Limited
Mizuho Bank Limited

Auditors

BSR & Co LLP
Chartered Accountants
Kolkata

Secretarial Auditors

Ashok Mishra & Associates
Company Secretaries
Bhubaneswar

Cost Auditors

M/s JUP & Associates
Cost Accountants
Kolkata

NOTICE

Notice is hereby given that the Sixty-second Annual General Meeting of the members of TRL Krosaki Refractories Limited will be held on Wednesday, 29th September 2021, at 12:00 Noon IST through Video Conference ("VC") / Other Audio-Visual Means ('OAVM"), to transact the following business:

ORDINARY BUSINESS:

Item No. 1 - Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2021 and the Reports of the Board of Directors and the Auditors thereon; and

Item No. 2 - Adoption of Audited Consolidated Financial Statements

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March 2021 and the Report of the Auditors thereon.

Item No. 3 - Declaration of Dividend

To declare dividend of ₹ 6.40 per equity share of ₹ 10 each for the Financial Year 2020-21.

Item No. 4 - Appointment of a Director

To appoint a director in place of Mr. Hisatake Okumura (DIN: 05130777), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.

Item No. 5 - Appointment of a Director

To appoint a director in place of Mr. H. M.Nerurkar (DIN: 00265887), who retires by rotation in terms of section 152(6) of the Companies Act,2013 and, being eligible, seeks re-appointment.

SPECIAL BUSINESS:

Item No. 6 - Appointment of Mr. Sachihiko Asaya as Director

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

"RESOLVED THAT Mr. Sachihiko Asaya (DIN: 09043344) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 16th March 2021 and who holds office up to the date of Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013 (the Act) and Article 97 of the Articles of Association of the Company and who is eligible for re-appointment and in respect of whom the Nomination and Remuneration Committee of the Board of Directors has recommended his appointment to the office of Director under the provision of Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company".

Item No. 7- Appointment of Mr. Jumpei Konishi as Director

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

"RESOLVED THAT Mr. Jumpei Konishi (DIN: 09152493) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 27th April 2021 and who holds office up to the date of Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013 (the Act) and Article 97 of the Articles of Association of the Company and who is eligible for re-appointment and in respect of whom the Nomination and Remuneration Committee of the Board of Directors has recommended his appointment to the office of Director under the provision of Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company".

Item No.8- Ratification of Remuneration of Cost Auditors

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any amendment, modification or variation thereof, the Company hereby ratifies the remuneration of ₹ 1,25,000.00 plus out-of-pocket expenses incurred in connection with the audit payable to M/s. JUP & Associates, Cost Accountants (Firm Registration Number - 000435) who have been appointed by the Board of Directors at its meeting held on 28th July, 2020 as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company as prescribed under the Companies (Cost Records and Audit) Rules 2014, for the Financial Year ending March 31, 2021.

RESOLVED FURTHER THAT the Board of Directors (which term includes a duly constituted Committee of the Board of Directors) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this Resolution and / or otherwise considered by them to be in the best interest of the Company."

NOTES:

(a) Considering the continuation of Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated January 13, 2021 read together with circulars dated April 8, 2020, April 13, 2020 & May 5, 2020 (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conference ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 ('the Act'), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

(b) As per provisions of Clause 3.B.IV of the General Circular No.20/2020 dated May 5, 2020, issued by MCA, the matters of Special Business as appearing at item no 6 to 8 of this notice are considered to be unavoidable by the Board and hence forming part of this notice.

(c) The Explanatory Statement, pursuant to Section 102(1) of the Companies Act,2013, as amended ('Act') relating to Special Business mentioned through item nos. 6 to 8 forms part of this Notice. A brief profile of the Director(s) who are being proposed to be appointed/re-appointed as required pursuant to the Secretarial Standards is annexed hereto.

(d) Pursuant to provisions of this Act, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

(e) Corporate members intending to send their authorised representatives to attend the meeting pursuant to section 113 of the Companies Act, 2013 are requested to send a certified copy of the Board Resolution to the Company, authorising their representative to attend and vote on their behalf at the meeting.

(f) Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.

(g) Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.

(h) In case of joint holders attending the Meeting, only such joint holders who are higher in the order of the names will be entitled to vote.

(i) The Register of Members and Share Transfer Books will remain closed on 29th September, 2021.

(j) If dividend on equity shares as recommended by the Board of Directors is approved at the meeting, payment of such dividend will be made on and from October 3, 2021 as under:

- In respect of Equity Shares held in physical form, to all those members whose name appear in the Company's Register of Members as on Wednesday, September 29,2021 after giving effect to valid requests for transmission or transposition lodged with the Company on or before the end of business hours on Tuesday, September 28, 2021.
- In respect of Equity Shares held in electronic form, to all beneficial owners of shares as at the end of business hours on Tuesday, September 28, 2021, as per details furnished by the Depositories for this purpose.

  Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. Dividend warrants / demand drafts will be despatched to the registered address of the shareholders who have not updated their bank account details.

  Shareholders are requested to register / update their complete bank details:

  (a) with their Depository Participant(s) with whom they maintain their demat accounts if shares are held in dematerialised mode by submitting the requisite documents, and

  (b) with the Company by emailing at sambit.mishra@trlkrosaki.com, if shares are held in physical mode, by submitting

    (i) scanned copy of the signed request letter which shall contain shareholder's name, folio number, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details),

    (ii) self-attested copy of the PAN card and (iii) cancelled cheque leaf

(k) Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f 1st April,2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. The shareholders are requested to update their Residential Status, PAN, Category as per IT Act with the Company (in case shares held in physical mode) and depositories (in case shares held in demat mode).

(l) A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to sambit.mishra@trlkrosaki.com by 11:59 p.m. (IST) on 28th September 2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to sambit.mishra@trlkrosaki.com. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. (IST) on 28th September 2021.

(m) During Financial Year 2018-19, the Ministry of Corporate Affairs ('MCA') vide Rule 9A of Companies (Prospectus and Allotment of Securities) Rules, 2014, mandated for every Unlisted Public Company that existing shareholders of the Company who holds securities in physical mode and intend to transfer their securities on or after 2nd October 2018 can do so only in dematerialized form. Therefore, shareholders holding shares in physical form are requested to consider converting their shareholding to dematerialized form to eliminate all risk associated with physical shares for ease of portfolio management as well as for ease of transfer, if required. Shareholders can contact the Company or Depository for assisting in this regard.

(n) TRL Krosaki Refractories Limited has lodged its entire shareholding with NSDL facilitating shareholders to dematerialize their individual holdings. The ISIN No. of TRL Krosaki Refractories Limited is INE 012L01014. Shareholders wishing to dematerialize their shares may contact their Depository Participant through which they are operating Demat Account or contact Company for further details.

(o) Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

(p) A detailed know your Shareholder (KYS) form is annexed with the Annual Report. Members are requested to provide updated details as per the form attached and send it to the registered address of the Company or scan and mail the same to sambit.mishra@trlkrosaki.com.

(q) For receiving all communication (including Annual Report) from the Company electronically, members who have not yet registered their email address are requested to register the same with their Depository Participants (DP) in case the shares are held in electronic form or in case the shares are held in physical form may follow the instruction as mentioned in point no (p).

(r) Pursuant to Section 72 of the Companies Act, 2013 read with Rules framed thereunder, shareholders are entitled to make nomination in respect of shares held by them. Shareholders holding shares in physical form and desirous of making nomination(s) are requested to send their nomination(s) in the prescribed Form No. SH-13 duly filled in to the Company at its registered office. Further, shareholders holding shares in electronic form are requested to contact their respective Depository Participant, with whom they are maintaining their demat account, for availing this facility.

(s) During the AGM, members may access copy of the Notice along with statutory registers (specifically 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), Annual Report and other related documents on the Company's website at https://www.trlkrosaki.com/.

(t) Shareholders desiring any information as regards the Accounts are requested to write to the Company at sambit.mishra@trlkrosaki.com at least seven days before the meeting so as to enable the management to keep the information ready at the meeting.

(u) The helpline number regarding any query/assistance for participation in AGM through VC/OAVM is 06645-258417.

(v) Instructions for attending the AGM through VC/OAVM are as follows:

- Members will be able to attend the AGM through VC/OAVM through MS Teams/Cisco VC with Webex, which is a two-way video conferencing facility. The link for the meeting will be provided to the members to their registered mail id.
- On clicking on the link, you will be prompted either:
  - i. to open the MS Teams App/Cisco Webex App if already downloaded, or
  - ii. the link to download the MS Teams App/Cisco Webex App or
  - iii. continue to use the web version of MS Teams/Cisco Webex
- After clicking the appropriate option, you will be redirected to the meeting itself.
- Click on the 'Join Meeting' as shown on the monitor
- Facility of joining the AGM through VC/OAVM shall open 15 minutes before and after the time scheduled for the AGM and will be available for Members on first come first served basis.

(w) To support the 'Green Initiative' the Members who have not registered their e-mail addresses are requested to register the same with the Depository/Company.

By Order of the Board of Directors

Sd/-

Sambit Mishra

Company Secretary

Date : July 28, 2021
Place : Belpahar

Registered Office :
Po: Belpahar, Dist. Jharsuguda, Odisha, Pin: 768218
CIN: U26921OR1958PLC000349
Website: www.trlkrosaki.com

Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act")

The following Statement set out all material facts relating to Item Nos. 6 to 8 mentioned in the accompanying Notice.

Item No. 6

On recommendation of the Nomination and Remuneration Committee, the Board appointed Mr. Sachihiko Asaya as Additional Director of the Company with effect from 16th March, 2021. As per Section 161(1) of the Act and Article 97 of the Company's Article of Association, Mr. Sachihiko Asaya hold office as director only till the date of the forthcoming Annual General Meeting, but is eligible for re-appointment. As per Section 160 of the Companies Act, 2013, Nomination & Remuneration Committee of the Board of Directors of Company has recommended the appointment of Mr. Sachihiko Asaya to the office of director liable to retire by rotation.

Mr. Sachihiko Asaya,54, is a Bachelor of Liberal Arts (International Relations) from Tokyo University, Japan, in the year 1990. Mr. Asaya has around 30 years of experience in the areas of Accounting, Finance & Corporate Planning.

The Board considers that Mr. Sachihiko Asaya's continued association would be of immense benefit to the Company, and it is desirable to continue to avail the services of Mr. Sachihiko Asaya as Director.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Sachihiko Asaya, to whom the resolution relate, are concerned or interested in the resolution mentioned at Item No. 6 of the Notice.

The Board recommends the resolution set forth in Item No.6 for the approval of the members.

Item No. 7

On recommendation of the Nomination and Remuneration Committee, the Board appointed Mr. Jumpei Konishi as Additional Director of the Company with effect from 27th April, 2021. As per section 161(1) of the Act and Article 97 of the Company's Article of Association, Mr.Jumpei Konishi hold office as director only till the date of the forthcoming Annual General Meeting, but is eligible for re-appointment. As per section 160 of the Companies Act, 2013, Nomination & Remuneration Committee of the Board of Directors of Company has recommended the appointment of Mr.Jumpei Konishi to the office of director liable to retire by rotation.

Mr. Jumpei Konishi, 58, is a Master of Metallurgy from Kyoto University in 1988 and Master of Applied Science from University of British Columbia in 1996. Mr. Konishi has around 32 years of experience in the areas of Steel making, technical management & strategic engineering.

The Board considers that Mr. Jumpei Konishi's continued association would be of immense benefit to the Company, and it is desirable to continue to avail the services of Mr. Jumpei Konishi as Director.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Jumpei Konishi, to whom the resolutions relate, are concerned or interested in the resolution mentioned at Item No. 7 of the Notice.

The Board recommends the resolution set forth in Item No.7 for the approval of the members.

Item No. 8

The Company is required under Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time ("Cost Audit Rules"), to have the audit of its cost records for products covered under the Cost Audit Rules conducted by a Cost Accountant in Practice. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. JUP & Associates, Cost Accountants (Firm's Registration Number 000435) as the Cost Auditor for Financial Year 2020-21. In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2021.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 8 of the Notice

By Order of the Board of Directors
Sd/-
Sambit Mishra
Company Secretary

Date : July 28, 2021
Place : Belpahar

Registered Office :
Po: Belpahar, Dist. Jharsuguda, Odisha, Pin: 768218
CIN: U26921OR1958PLC000349
Website: www.trlkrosaki.com

Annexure to the Notice

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting

Name of Director	Mr. H. M. Nerurkar (DIN: 00265887)	Mr. Hisatake Okumura (DIN: 05130777)
Date of Birth	20.10.1948	22.11.1962
Date of Appointment	27.08.2011	01.04.2018
Expertise in specific Functional Areas	Metallurgy	Technical Service & Plant Management
Qualifications	B.Tech (Metallurgy)	Bachelor of Science
Directorship held in other public companies (excluding Foreign Companies)	7	NIL
Membership/ Chairmanship of Committees of other Public Companies (includes only Audit Committees and Stakeholder Relationship Committee)	8	NIL
Shareholding in the Company	NIL	NIL

Name of Director	Mr. Sachihiko Asaya (DIN: 09043344)	Mr. Jumpei Konishi (DIN: 09152493)
Date of Birth	10.05.1967	09.04.1963
Date of Appointment	16.03.2021	27.04.2021
Expertise in specific Functional Areas	Accounting, Finance & Corporate Planning	Steel Making & Technical Management
Qualifications	Bachelor of Liberal Arts	Master of Metallurgy, Master of Applied Science
Directorship held in other public companies (excluding Foreign Companies)	NIL	NIL
Membership/ Chairmanship of Committees of other Public Companies (includes only Audit Committees and Stakeholder Relationship Committee)	NIL	NIL
Shareholding in the Company	NIL	NIL

Highlights

(₹ Crores)

	2020-21	2019-20	2018-19	2017-18	2016-17
Turn Over	**1,429.73**	1,653.76	1,594.29	1,194.90	1,090.66
Profit Before Interest, Depreciation & Taxes	**90.62**	174.76	177.54	106.79	101.76
Depreciation	**28.94**	26.83	31.86	20.51	18.17
Profit before Taxes	**57.14**	131.38	129.96	72.46	63.15
Profit After Taxes	**44.48**	100.69	84.72	47.03	45.79
Shareholders' Funds	**497.57**	485.95	418.33	353.00	322.99
Borrowings	**209.25**	233.17	219.01	162.63	215.38
Dividends	**13.38**	30.31	30.74	16.63	15.85
Shareholders' Funds- per Share (Rs.)	**238**	233	200	169	155
Dividend - (%)	**64**	145	122	66	63
Employee - Numbers	**1427**	1458	1435	1332	1291

DIRECTORS' REPORT

To
The Members,

The Board of Directors hereby presents the 62nd Annual Report along with the Audited Statement of Account for the year ended 31st March 2021.

Financial Results

(₹ Crores)

	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Gross Revenue	1429.73	1653.76	1427.67	1653.76
Less Total Expenses	1339.11	1479.00	1339.11	1479.00
Profit before finance cost, depreciation, Taxes and other comprehensive income	90.62	174.76	88.56	174.76
Less Finance Cost	12.42	16.55	12.42	16.55
Less Depreciation	28.94	26.83	28.94	26.83
Add share of profit of Associates	—	—	(8.54)	4.18
Exceptional Item	7.88	—	7.88	—
Profit before taxes	57.14	131.38	46.54	135.56
Less provision for Current taxation	10.82	33.62	10.82	33.62
Less provision for Deferred taxation	1.84	(2.93)	0.01	(3.43)
Profit after Taxes	44.48	100.69	35.71	105.37
Other comprehensive income	(3.18)	(2.03)	(3.18)	(2.03)
Total comprehensive income	41.30	98.66	32.53	103.34
Add Balance brought forward from earlier year	246.12	178.20	261.32	188.72
Balance:	287.42	276.86	293.85	292.06
Less				
(I) Dividend Paid for the previous year	30.31	25.50	30.31	25.50
(ii) Tax on Dividend	—	5.24	—	5.24
Total	30.31	30.74	30.31	30.74
Balance carried forward	257.11	246.12	263.54	261.32

Dividend

Your Directors are pleased to recommend a dividend of ₹ 6.40 per share, i.e. 64% for the year ended 31st March, 2021, for approval by the shareholders at the forthcoming Annual General Meeting.

Transfer to Reserves

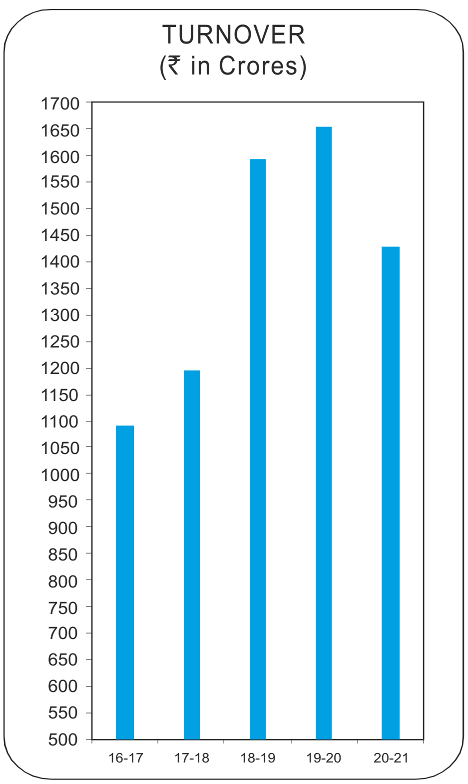
The Board of Directors has decided to retain the entire amount of profit in the profit and loss account.

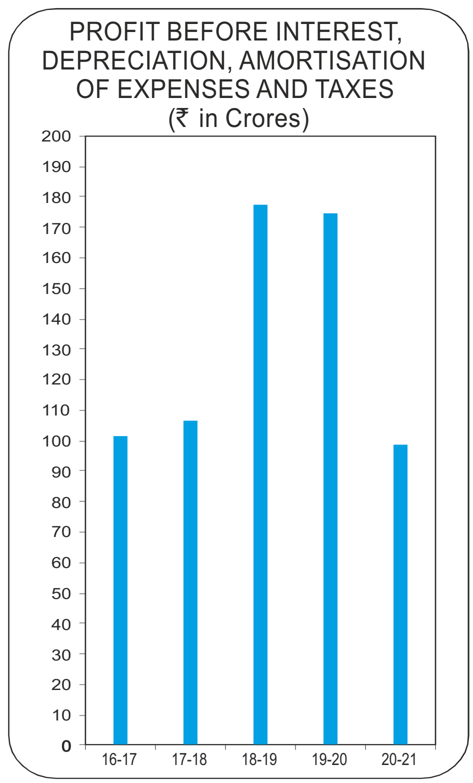
Economic Environment

The COVID-19 pandemic has led to a severe global recession. The Contraction of global economy due to this Pandemic in 2020 was very sudden and deep compared to previous global crises. The impact is different across sectors, countries, and the recovery is highly uncertain. Similarly, the response to the pandemic to improve health care systems, disaster relief including economic packages announced by many countries was also unprecedented. Pandemic's continued uncertainty about the duration of health crisis is affecting all aspects of recovery. It is estimated that the pandemic has reversed the progress made in poverty reduction during the past two decades and around 90 million people are likely to fall below the extreme poverty threshold during 2020-21.

Multiple vaccine approvals and the launch of vaccination in some countries in December have raised hopes of an eventual end to the pandemic. However, surging infections again from new variants of the virus, renewed lock downs, logistics problems for vaccine distribution etc. are going to dampen the hopes and aspirations related to vaccination benefits. Much needs to be done on the health and economic policy fronts to restrict the continuous damage from the severe contraction of 2020 and to ensure a sustained recovery. It is expected that with growing vaccine availability, improved therapies, testing, and tracing, local transmission of the virus is expected to be brought to low levels by the end of 2022. Support through additional fiscal policy and sizable fiscal support announced for 2021 by some countries, including most recently the United States and Japan, will help to lift economic activities among advanced economies. However, fiscal deficits in most countries are projected to decline in 2021 as revenues rise and expenditures decline automatically with the recovery. In view of this typical features of the crises, its severity and high uncertainty make the assessment of the economic outlook challenging.

As per IMF report in January 2021, it is estimated that the global growth contraction for 2020 is -3.5% which is 0.9% higher than earlier projection. The contraction in Advanced Economies was -4.9% and in Emerging market and Developing countries it was - 2.4%. It is expected that in the medium term, the output losses from the pandemic are substantial and the output for the world in 2024 would be about 3% lower than anticipated pre-pandemic estimates. It is expected that emerging market and developing economies are expected to suffer more than advanced economies.





Third quarter GDP outturns mostly surprised on the upside in Australia, Euro area, India, Japan, Korea, New Zealand, Turkey, United States. The significant upward revision was for India with a 2.7% increase. Reflecting the global recovery, oil prices are expected to rise in 2021 just over 20% from the low base for 2020. Commodity prices are also expected to increase with those of metals, in particular, projected to accelerate strongly in 2021. The inflation in advanced economies is projected to remain generally below central bank targets at 1.5% and in emerging market and developing economies it is projected just over 4% which is lower than the historical average of the group.

Economic Outlook

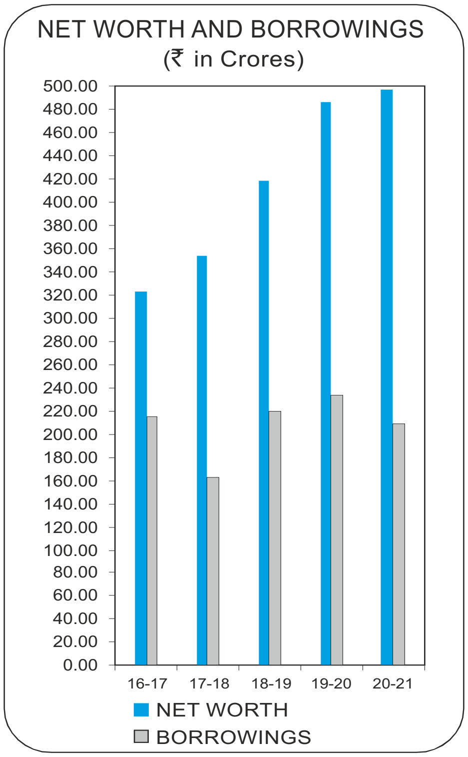
As per International Monetary Fund (IMF), the global economy, after an estimated 3.5% contraction in 2020, is projected to grow by 5.5% in 2021 and 4.2% in 2022. The estimate by IMF for 2021 is revised upwards by 0.3%, reflecting additional policy support in a few large economies. The upward revision is particularly large for the advanced economy group, mostly in the United States and Japan due to additional fiscal support and expectations of faster and widespread vaccine availability compared to the emerging market and developing economy group. Consistent with recovery in global activity, global trade volumes are expected to grow about 8% in 2021 and 6% in 2022. Services are expected to recover more slowly than merchandise volumes, consistent with subdued cross-border tourism and business travel until transmission declines everywhere.

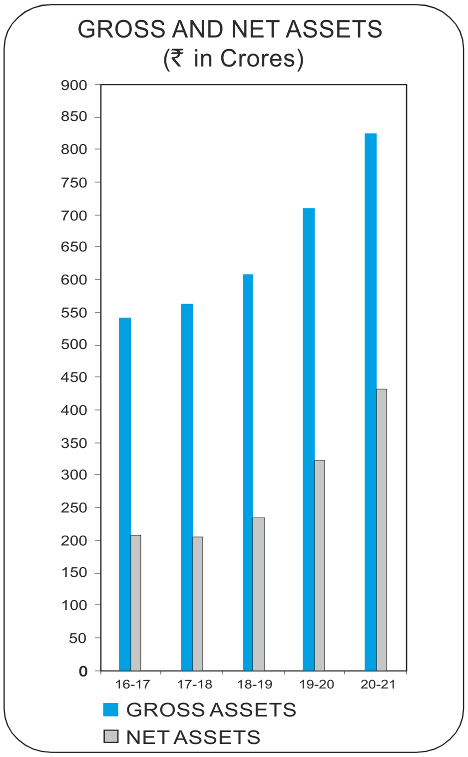
Emerging market and developing economies (EMDC) are also projected to trace diverging recovery paths. Oil exporters and tourism-based economies within the EMDC group face difficult prospects considering the slow normalization of cross-border travel and the subdued outlook for oil prices.

In India, the Government consumption is estimated to rise by 5.8% due to increased expenditure as part of pandemic relief packages. Consumption indicators indicate demand recovery in Q3, including FMCG and Auto sales, and GST collection. Sectors like Health, Pharma, Technology and Telecom have shown growth potential during the pandemic and are likely to witness increased investment and robust growth in the future too. Further, companies are investing in improving their supply chains and distribution networks to overcome supply challenges and risks that came to light with the COVID-19 disruption. As per IMF, Indian economy is expected to grow at 11.5% in 2021 and 6.8% in 2022. The significant increase in spend allocation, 35% higher than previous year, announced in the Union Budget 2021-22 for infrastructure may see more projects being rolled out.

Performance

The Company had been continuously improving its overall business performance with respect to revenue and profit from 2016-17 to 2019-20 and was poised for continuing the improving trend in 2020-21 also. However, the outbreak of COVID-19 pandemic forced the Company to revise its business plan commensurate with the overall market situation and customers' plans. Although the operations of its main plant at Belpahar was not affected, the demand from customers has significantly reduced due to stoppage of customers' plants during the peak period of pandemic. On standalone basis the gross production during the year was 2,10,194 MT against 2,29,053 MT of previous year; a





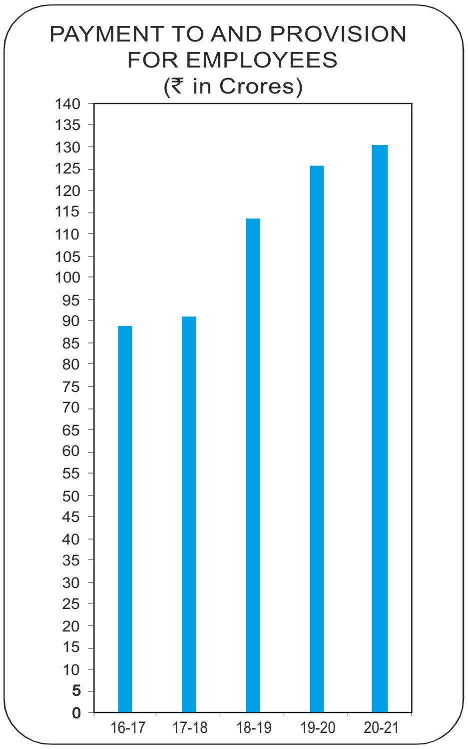
decrease of 8%. The sales volume improved in the second half of the year and the sales volume for the year was 2,82,155 MT as against 2,75,599 MT in 2019-20; an increase of 2%. The revenue of the Company has decreased from Rs. 1654 Crores in 2019-20 to Rs. 1430 Crores in the current year; a decrease of 14%. Although the volume has increased, Profit Before exceptional items and tax has decreased from Rs. 131 Crores 2019-20 to Rs. 49 Crores in the current year; a decrease of 63%. This is mainly due to change in product mix and lower selling prices. Total comprehensive income for the year was Rs. 42 Crores against Rs. 98 Crores in 2019-20; a decrease of 57%. Although the revenue from domestic sales has picked up in Q4 of the current year, the revenue from export sales is yet to reach to pre-covid levels.

Credit Ratings

ICRA has assigned [ICRA] AA (pronounced ICRA Double A) rating to Fund Based Working Capital Facilities and A1+ (pronounced A one plus) rating to non-fund based Working Capital Limit & Short Term Fund Based Working Capital Limit of the Company.

Business Strategy

The demand for Steel in India is continuously increasing and it is expected that India will be one of the few countries with good demand for steel in the medium term. In line with the increase in demand for steel, refractories demand will also increase. The Company is making capital investment in critical areas to enhance its capacity and to meet the growing demand for critical refractories. During the year, the Company has expanded its capacity in Tap Hole Clay (THC) plant and Burnt Dolomite products to meet the continuous increase in demand. Taking the increased capacity into consideration, the capacity utilization of THC products reached to 92% in December 2020 and Dolomite Burnt products reached to 100% in March 2021. The Company manufactures all types of refractory products except Alumina Graphite (AG) refractories used in steel making process. To further strengthen its capability in steel making process, the Company is putting up a green field Alumina Graphite (AG) refractories manufacturing facility with the technology support from Krosaki Harima Corporation, Japan. The new facility is expected to commence commercial production by end of 2021.



The Company's multi-pronged growth strategy has helped to serve in a better way to its customers in this difficult time of COVID-19. To drive growth, the Company has taken initiative of Focused Customers and Focused Product and this has helped the customers in ensuring continuity of supply in spite of restrictions on movement of goods across the country to contain the spread of COVID-19. The Company is driving its growth by continuing its service and increasing the performance of its focused products. The performance of Dolomite bricks has improved in many steel plants and the Company is able to retain its share of business of 70%. Similarly, the volume of Dolomite bricks sales in international business has increased by 46% in the current year over previous year. Tap Hole Clay remains one of the focused products of the Company and the revenue from Tap Hole Clay products has decreased from Rs.159 Cr. to Rs.143 Cr. due to impact of COVID-19 Pandemic. However, the market share in Trough business in the current year remained same as 2019-20 in spite of impact of COVID-19 Pandemic.

Associates

TRL Krosaki Asia Pte. Ltd. Singapore and Almora Magnesite Limited are two Associates of the Company. In accordance with Section 129(3) of the Companies Act, 2013, consolidated financial statements of the Company with all its associates have been prepared, which form part of the Annual Report. Further, the Report on the performance and financial position of each of the associate and salient features of the financial statement in the prescribed Form AOC-1 is given in notes to consolidated financial statements.

Management Discussion and Analysis

Management Discussion and Analysis given separately forms part of this Report "Annexure - F"

Safety, Health & Environment Management

TRL Krosaki has an unyielding commitment to safety, health and environmental protection. The Company is certificated under Integrated Management System, i.e, ISO 9001, ISO 14001 and ISO 45001. TRL Krosaki continuously strives to achieve excellence in its health, safety and environment performance and to be recognized as a leader in accident prevention and environment protection.

In order to achieve this, the Company continues to focus on measures to eliminate / minimize hazards & risks, to promote preventive health care, to minimize pollution and to conserve energy in all areas of its operations. Besides, continuous thrust is given to further improve operational efficiencies to minimize consumption of natural resources, water, energy and carbon emissions while maximizing production volumes.

Safety & Health Management

TRL Krosaki takes responsibility of its employees to promote and safeguard their health, safety and working environment. The target is to realize "Zero Harm". The Company is one among the best in the region / industry in terms of safety & environment performance. During the current year, many focused initiatives were taken in the areas of safety & health. The key initiatives include year wise campaign on "Elimination of Commonly Accepted Unsafe Practices (ECAUP)", strengthening implementation of "Safety Standards", digitalization of "Behavioral Based Safety Walk System" & "Incident Management System", strengthening the "Contractor Safety Management System", introducing induction training for all transport drivers, focused audit of critical areas, etc.. Besides, employee's involvement and motivation has been achieved through defining ownership at all levels of employees, driving a robust reward & recognition scheme and strictly complying with the approved Consequent Management Guidelines. All these helped the Company to continue to maintain its superior safety performance and accident frequency rate of 0.28 during the year is a testimony to that.

The Company has proactively extended its "Safety Excellence Journey" beyond the factory premises to its Township and more importantly all Customer Sites. It is a matter of great satisfaction and pride that during the current year the target of "Zero Harm" was achieved in all these locations.

The focus on "Preventive Health Care" continues to be pursued across the Company. The key initiatives in this area include extending the "Health Score Card System" to different levels of officers, strict screening of new employees based on their prevailing health conditions. Initiatives taken in the area of occupational health include Pre-employment & Periodic health checkup, occupational health checkup, screening of employees engaged in high risk activities, health awareness at the shopfloor, special health training sessions on stress & life style management, a well-defined job rotation policy to prevent long term exposure to air pollution by the employees etc.. During the year, 233 numbers of training programmes were conducted in the areas of occupational health & safety, covering 4456 numbers of employees & contractor workers. These initiatives have helped the Company to continuously achieve "Zero" case of Silicosis, a notified occupational disease not only during the current year but for more than past five years consecutively.

The Company's occupational health and safety initiatives and performances have been duly recognized at National & State levels over the years. During the year, the Company won the highest level of Award at the National Level by winning the most prestigious "Sarvashrestha Surakshya Puraskar (Golden Trophy) 2020" from the National Safety Council of India [NSCI]. The Safety Management initiatives by the company at different Customer Sites have also earned a number of laurels / recognitions from reputed Customers, such as, Tata Steel, JSW Steel etc..

Environment Management

Environment Management strategy at TRL Krosaki is an integral part of overall Company strategy and it focuses on environmental challenges and adopting suitable set of actions for better environmental performance of the Company. The Company is committed not only to comply with all the applicable statutory requirements but also to continually improve its environmental performance. Accordingly, focused initiatives are taken in the areas of air pollution control, water pollution control, water, energy and resource conservation, greenbelt development, development of environmentally friendly products and reduction of carbon footprint. The environmental performances in these focused areas are measured, compared against targets, and improved.

The Company has made great strides in its Environment Management journey and strives to move towards cleaner operations and greener environment. During the year, one Pulse jet type Bag Filter with a capacity of 45,000 M3/Hr replaced, nine portable Bag Filters of total capacity of 40,500 M3/Hr, one dust suppression system was added to further improve the overall work zone and ambient air quality. On the water pollution front, the Company continues to achieve "Zero" discharge of effluent from its plant and reduced freshwater consumption by 13% through recycling and reuse. The Environment Laboratory of the Company got accredited with ISO 17025:2017 (NABL) for wastewater analysis. The Company conforms to all statutory requirements related to Environment Management. Developing and maintaining a Green Belt in and around the plant has been a priority agenda for the Company and today, the greenbelt coverage stands at 35% of the total land area, which is more than the statutory norm.

The Company's endeavor towards protecting the environment has been recognized at State & National Levels at different times. During the year, the Company was also adjudged as the Winner and received the coveted Environment, Health & Safety (EHS) Award 2020 from Confederation of Indian Industries, Odisha Chapter.

Corporate Social Responsibility (CSR) Initiatives

TRL Krosaki, for more than the last 50 years, have been committed to be a good corporate citizen not only in compliance with all relevant laws and regulations but also by actively assisting in the improvement of the quality of life of the people in the communities in which it operates.

Under the guidance of the 'Corporate Social Responsibility (CSR) Committee' constituted at the Board level, Company's CSR activities are undertaken in the areas of Education, Health Care, Drinking Water and Sanitation, Sports, Ethnicity, Sustainable Livelihood, Environment, Infrastructure Development, etc.

The Company continued to undertake its CSR initiatives during 2020-21 and undertook additional initiatives during the outbreak of COVID-19.

The COVID-19 pandemic posed numerous challenges and made it difficult to implement the CSR projects as per Plan. However, the sheer determination and commitment to serve the community helped in completing all the projects and programmes in time, although some changes in projects / programmes were necessitated based on the ground situation. Additionally, the Company took up a very focused and proactive drive to support the community to combat against the pandemic. The initiatives towards this included creating widespread awareness in different localities, distributing face masks, soaps, sanitizers etc. in bulk quantity, sanitizing different areas including houses, operating flu clinic, setting up of Quarantine Centres and Covid Care Centres etc.

The CSR initiatives undertaken by TRL Krosaki has received due recognition as the Company was declared as the WINNER of the prestigious Social Impact Award under Health Care amongst the Large Enterprise Category for 2020-21 by Indian Chamber of Commerce (ICC).

The CSR Policy and the initiatives on CSR taken by the Company during the year as per the Companies (Corporate Social Responsibility Policy), Rules, 2014 has been annexed to this Report as "Annexure - A".

The CSR Policy of the Company is also placed in the website of the company (www.trlkrosaki.com) and can be accessed anytime.

During the year, the Company spent around ₹ 224.37 Lakhs towards its CSR initiatives.

Industrial Relations

Harmonious and collaborative industrial relations continued despite of several challenges posed by the pandemic. Our company ensured continuous running of operations with a cordial and healthy Industrial Relations adhering to all COVID-19 protocols. The company has not lost a single man-day in any of its manufacturing units. An amicable Bonus settlement was also signed between Union and Management during the year.

Corporate Governance

Corporate Governance practices followed by the company are given in separate section which forms integral part of this Report **"Annexure – G"**.

Extract of Annual Return

Ministry of Corporate Affairs (MCA) vide notification dated 28th August 2020 has notified that the extract of the Annual Return in form MGT 9 is not required to be enclosed with the Board Report. The Company is only required to disclose the weblink in the Board Report.

The copy of Annual Return (Annexure-B) is placed in Company's website https://www.trlkrosaki.com/about-us/annual-returns.aspx.

Vigil Mechanism

The Company is committed to conduct all aspects of its business affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour with due compliance to all applicable legal requirements. Towards this, the Company follows a set of Vigil Mechanism policies which lay down the principles and standards that should govern the actions of the Company, its stake holders, and its employees. These policies also provide a formal mechanism for all Directors, employees, and vendors to approach the Ethics Counselor or Chairman of the Audit Committee and make protective disclosures about the unethical behaviour, actual or suspected fraud or violation of any policies. Any actual or potential violation is considered to be a matter of serious concern by the Company and appropriate action is initiated.

The Vigil Mechanism consists of three policies 1. TRL Krosaki Code of Conduct 2. Whistle Blower Policy for Directors and Employees and 3. Anti-Bribery and Anti-Corruption (ABAC) policy. In order to widen the coverage and strengthen the Vigil Mechanism and process, a new ABAC policy was developed during the year. This policy sets out principles and guidelines which ensures(s) the prevention, detection of fraud, bribery, and corruption. Similarly, the existing Whistle Blower Policy was revised during the year bringing clarity of protection to the vigil blowers. All these policies encourage every employee to promptly report to the management any actual or possible violation of the Code or any event wherein he or she becomes aware of that, which could affect the business or reputation of the Company. These policies provide protection to vendors from any victimization or unfair trade practice by the Company and provides protection to the whistle blowers from any retaliatory action.

During the year, the Company undertook multiple communication through training programmes for internal and external stakeholders, display of hoardings and posters across the organization, circulation of booklets containing guiding documents, updating on the website, notice at Employee Self Service Portal with an aim to create widespread awareness of all the policies.

Internal Control System

The Board of Directors is responsible for ensuring that Internal Financial Controls (IFC) have been laid down in the Company and that such controls are adequate and effective. The foundation of IFC lies in the code of conduct, policies and procedures adopted by the management, corporate strategies, annual business planning process, management review and the risk management framework.

The Company has designed its IFC framework commensurate with the size, scale and complexity of its operations. The framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from unauthorized use, executing transaction with proper authorization and ensuring compliance with the corporate policies. The controls were tested based on the prevailing conditions and processes during the year and no reportable material weakness in the design or effectiveness was observed. The framework on internal financial controls over financial reporting has been reviewed by internal and external auditors.

The Company uses various proven and trustworthy IT platforms to keep the internal control framework robust, and approved information management policy governs these IT platforms. The systems, standard operating procedures and controls are implemented by the executive leadership team and reviewed by internal audit team, whose finding and recommendation are placed before the Audit Committee.

The scope and authority of Internal Auditors is defined in

Internal Audit Charter. To maintain its objectivity and independence, the Internal Auditors report to the Chairman of Audit Committee. Internal Auditors develop an annual audit plan based on the risk profile of the business activities. The Internal Audit plan is approved by the Audit Committee, which also reviews compliance to the plan.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control systems in the Company. Based on the Report of the Internal Auditors, process owners undertake necessary preventive and corrective actions in their respective areas which help in strengthening the controls further. Significant audit observations and corrective controls thereon are presented to the Audit Committee.

The Audit Committee reviews the reports submitted by the Internal Auditors in its meetings. Besides, the Audit Committee conducts an independent session with the external auditors and the management to discuss the adequacy and effectiveness of internal control system.

Directors' Responsibility Statement

Based on the framework of internal financial controls established and maintained by the Company, work performed by the internal, statutory and secretarial Auditors and external agencies, including Audit of internal financial controls over financial reporting by the Statutory Auditors and the review performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2020-21.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability confirms:

(a) that in the preparation of annual accounts the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) that we have 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 Financial Year, and of the profit and loss of the Company for that period;

(c) that proper and sufficient care has been taken 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) that the annual accounts have been prepared on a going concern basis;

(e) that proper system to ensure compliance with the provisions of all applicable laws were in place and such systems are adequate and operating effectively;

(f) that proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.

Related Party Transactions

There have been no materially significant related party transactions between the Company and Directors, Key-Managerial Personnel, holding and subsidiary company or the relatives.

Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contracts or arrangements in Form AOC-2 does not form part of the Report.

Remuneration Policy

The Board on recommendation of the Nomination and Remuneration Committee has framed a Policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

Meetings

The details of the Board Meetings and Meeting of Committee of Directors are given in the Corporate Governance Report.

Auditors

(a) Statutory Auditors

M/s BSR & Co. LLP, Chartered Accountants, was appointed as Auditor of the Company at the 58th AGM held on 28th June 2017, for a period of five years, to hold office till the conclusion of 63rd AGM to be held in 2022.

M/s BSR & Co. LLP has audited the books of accounts of the Company for the Financial Year ended March 31, 2021 and have issued the Auditors' Report thereon. There are no qualifications or reservations or adverse remarks or disclaimers in the said Report.

(b) Secretarial Auditors

Pursuant to the provision of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company appointed Ashok Mishra & Associates, Company Secretaries as Secretarial Auditors to conduct Secretarial Audit of the Company for the FY 2020-21. The Secretarial Audit Report is annexed herewith as "Annexure - C". There are no qualification/ observations in the said Report.

(c) Cost Auditors

As per Section 148 of the Companies Act, 2013 ('Act'), the Company is required to have the Audit of its cost records conducted by a Cost Accountant in practice with respect to some products. In this connection, the Board of Directors of the Company has on the recommendation of the Audit Committee approved the appointment of M/s. JUP & Associates as the Cost Auditors of the Company for the year ending March 31, 2021.

In accordance with the provisions of the Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the members of the Company. Accordingly, appropriate resolution forms part of the Notice convening the AGM. The Board seeks your support in approving the proposed remuneration of ₹ 1.25 Lakhs plus applicable taxes and reimbursement of out-of-pocket expenses payable to the Cost Auditors for the Financial Year ending March 31, 2021.

The due date for filing of Cost Audit Report of the Company for the Financial year ended March 31, 2020 was September 30, 2020 and the same was filed in XBRL mode on 24th August, 2020.

Particulars of Loans, Guarantees or Investments

Particulars of Loans, Guarantees or Investments in accordance with Section 186 of the Companies Act, 2013 are given below:

Outstanding as at 31st March 2021

Particulars	Amount (₹ Crores)
Loan given	Nil
Guarantee given	Nil
Investment made (Refer Note 2 to Standalone account)	16.10

No investment has been made during the year.

Risk Management

The Company has developed and implemented a risk management policy with an objective to develop a risk intelligent culture that supports decision making and to help improving performance for a long term business sustainability. Although the Company is not mandatorily required to constitute the risk management committee, the Company, as a mark of good corporate governance initiative, has proactively constituted a risk management committee consisting of the Managing Director and Senior Executives of the Company.

The Company's risk management process focuses on timely identification and analysis of the risks associated with the business and operating environment and addresses the same suitably to eliminate or mitigate the risk.

To strengthen the process of identifying and mitigating both external and internal risks, the Company has engaged an external consultant. The consultant has helped to develop a robust 5 step Enterprise Risk Management (ERM) process to address the risks associated with the business. Further, this 5 step risk management process aims at developing a "Risk intelligent culture" within the Company to encourage risk informed business decision-making as well as resilience to adverse environment and to create awareness of opportunities in order to enhance the long term stake holder value.

During the current year, the Company along with the help and guidance of the external consultant has reviewed the existing risk register and updated with early warning indicators and mitigation strategies. The new risks identified during the review process were discussed and due diligence were conducted on new risks. The new risks identified along with its mitigation plan was presented to the Audit Committee and Board and accordingly risk mitigation actions are being taken.

Independent Directors Declaration

The Company has received the necessary declaration from each Independent Directors in accordance with Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013.

Directors

(a) Retire by rotation

- In terms of the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr.Hisatake Okumura (DIN: 05130777) and Mr.H.M.Nerurkar (DIN: 00265887) are retiring by rotation at the forthcoming Annual General Meeting and are eligible for re-appointment.

  The necessary resolutions for re-appointment of Mr.Hisatake Okumura and Mr.H.M.Nerurkar form part of the Notice convening the AGM to be held on 29th September,2021.

  The profile and particulars of experience, attributes and skills of the above Directors is disclosed in the annexure to the Notice convening the AGM.

(b) Cessation

- Mr.Kotaro Kuroda, Mr.Sadayoshi Tateishi and Mr.Takeshi Yoshida stepped down as member of the Board effective 28th September, 2020. The Board of Directors would like to record their appreciation for the services rendered by Mr.Kuroda, Mr.Tateishi and Mr.Yoshida during their tenure as Director of the Company.
- Mr. Kiyotala Oshikawa stepped down as member of the Board effective 1st February, 2021. The Board of Directors would like to record their appreciation for the services rendered by Mr. Oshikawa during his tenure as Director of the Company.
- Mr. Toshikazu Takasu stepped down as member of the Board effective 12th April, 2021. The Board of Directors would like to record their appreciation for the services rendered by Mr. Takasu during his tenure as Director of the Company.

(c) Inductions to the Board

- On recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 26th May, 2020, appointed Ms. Shuang Zhu as Director (Non-Executive) of the Company.
- On recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 28th July, 2020, appointed Mr. Anirban Dasgupta as Director (Non-Executive) of the Company.
- On recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 16th March, 2021, appointed Mr. Sachihiko Asaya as Director (Non-Executive) of the Company.

- On recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 27th April, 2021, appointed Mr. Jumpei Konishi as Director (Non-Executive) of the Company.

Key Managerial Personnel

Pursuant to Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are Mr. P. B. Panda, Managing Director, Mr. M. V. Rao, Sr. Vice President (Finance) & CFO and Mr. Sambit Mishra, Company Secretary.

Mr. Sambit Mishra was appointed by the Board as the Company Secretary of the Company with effect from 27th October,2020. Mr. Arabinda Debta passed away on 4th August,2020 and consequently ceased to be the Company Secretary with effect from the same date.

Employees

The information required under section 197(12) of the companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in the **"Annexure - D"** forming part of this Report.

Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as **"Annexure - E".**

Significant and Material Orders Passed by the Regulators or Courts

There have been no significant material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its future operations.

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace and has constituted an Internal Complaint Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

During the year, the Company has received no complaint for sexual harassment.

Deposits

During the year under review, the Company has not accepted any deposits under the Companies Act, 2013.

On behalf of the Board of Directors

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)

July 28, 2021
Mumbai

Annexure A

Format for The Annual Report on CSR Activities to be Included in the Board's Report for Financial Year Commencing on or After 1st Day of April, 2020

1. Brief outline on CSR Policy of the Company: A brief outline of the Company's Corporate Social Responsibility (CSR) policy is given in the company website. As an integral part of our commitment to good corporate citizenship, TRL Krosaki believes in actively assisting in improvement of the quality of life of people in communities, giving preference to local areas around its business operations. Every CSR initiative that is chosen to be supported and implemented lies within one of the broad areas of Education, Health Service, Drinking Water & Sanitation, Sustainable Livelihood, Infrastructure Development, Environment Protection, Promotion of Ethnicity and Sports. The Company's CSR initiatives are guided by its CSR policy adopted by the Board of Directors on July 25, 2014. The CSR Policy is posted on the company's website http://www.trlkrosaki.com/aboutUs/policies.aspx.

2. **Composition of CSR Committee :**

S. No.	Name of Director	Designation / Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1.	Mr. Sudhansu Pathak	Chairman Non-Executive Director	1	1
2.	Mr. P. B. Panda	Member Managing Director	1	1
3.	Mr. R. Ranganath	Member Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://www.trlkrosaki.com/aboutUs/pdf/csr-policy.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any. Not Applicable

6. Average net profit of the company as per section 135(5): Rs. 111,88,26,699

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 223,76,534
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable
   (c) Amount required to be set off for the financial year, if any: Not Applicable
   (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 223,76,534

8. (a) CSR amount spent or unspent for the financial year: Not Applicable

Total amount spent for the financial year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
224,36,813.83	NA	NA	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

S. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current FY (in Rs.)	Amount transferred to unspent CSR Account for the project as per section 135(6) (in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of Implementation through implementing Agency	
				State	District						Name	CSR Registration No

ANNEXURE TO THE CSR ANNUAL REPORT 2020-21

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

S. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area Yes/No	Location of the project		Amount spent for the project (in Rs. Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of Implementation through implementing Agency	
				State	Dist			Name	CSR Registration No
1	Merit cum means scholarship to poor and meritorious students, Total Secondary School Education facilities to talented SC/ST students, development of infrastructure for education and financial aid to Prerana and BEST Trust.	Education	Yes	Odisha/	Jharsuguda	51,25,126.31	Direct	Not Applicable	
2	Organising Health Awareness Programmes, "Balyashree" Programme, Filaria immunization & National Pulse Polio programmes, Support to National AIDS Control Programme	Health Services	Yes	Odisha/	Jharsuguda	1,98,497.05	Direct	Not Applicable	
3	Supply of drinking water through tankers, Construction of facilities for access to safe drinking water, Community toilets in rural areas	Drinking Water & Sanitation	Yes	Odisha/	Jharsuguda	17,81,763.26	Direct	Not Applicable	
4	Promoting Skill Development Training to unemployed youth through the Rural Self Employment Training Institute (RSETI) and running Sewing Centre at Bhikampali Panchayat	Sustainable Livelihood	Yes	Odisha/	Jharsuguda	13,25,821.68	Direct	Not Applicable	
5	Extending support to cultural / social events to promote culture, Putting up Busts of National Heroes at public places for promotion of past legacy and culture	Promotion of Ethnicity, traditional Art & Culture	Yes	Odisha/	Jharsuguda	12,56,949.08	Direct	Not Applicable	
6	Maintaining a nursery for development of saplings, development and maintenance of block plantation areas, distribution of saplings for community plantation.	Environment	Yes	Odisha/	Jharsuguda	20,42,521.96	Direct	Not Applicable	
7	Developing Rural Infrastructure for public use and taking up beautification projects in Belpahar.	Rural Infrastructure Development	Yes	Odisha/	Jharsuguda	44,48,594.58	Direct	Not Applicable	
8	Supplying sports kits to sports clubs & schools, extending material support for organizing sports events in rural areas	Promotion of Sports	Yes	Odisha/	Jharsuguda	3,49,737	Direct	Not Applicable	
9	COVID Prevention & Management Programme, Setting up and management of CCC, Procurement of Life saving Medical Equipment for General Public	Awareness and Prevention of COVID 19	Yes	Odisha/	Jharsuguda	58,03,000	Direct	Not Applicable	
	Total					**223,32,010.92**			

(d) Amount spent in Administrative Overheads: Rs. 1,04,802.91/-

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 224,36,813.83

(g) Excess amount for set off, if any: Not Applicable

S. No.	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(I)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

ANNEXURE TO THE CSR ANNUAL REPORT 2020-21

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

S. No.	Preceding Financial year	Amount transferred to Unspent CSR Account under section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the fund	Amount (in Rs.)	Date of transfer	

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

S. No.	Project ID	Name of the project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year (in Rs.	Status of the project - Completed/Ongoing

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year - Not Applicable
(asset-wise details).
(a) Date of creation or acquisition of the capital asset(s).
(b) Amount of CSR spent for creation or acquisition of capital asset.
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).
Not Applicable

Date : July 28, 2021
Place : Jamshedpur

Sd/-
P. B. Panda
Managing Director

Sd/-
Sudhansu Pathak
CSR Committee Chairman

Annexure C

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2021

To
The Members,
TRL KROSAKI REFRACTORIES LIMITED
CIN-U26921OR1958PLC000349

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by TRL Krosaki Refractories Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes 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 31st March, 2021 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 31st March, 2021 according to the provisions of:

(I) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.

(iii) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under relating to Foreign Direct Investment or Overseas Direct Investment.

(iv) Following other laws as are specifically applicable to the Company:

a. The Factories Act, 1948
b. The Employees Provident Fund & Miscellaneous Provisions Act, 1952
c. Industrial Disputes Act, 1947
d. Contract Labour (Regulations and Abolition) Act, 1970
e. Employees State Insurance Act, 1948
f. Payment of Bonus Act, 1965
g. The Employees Compensation Act, 1923
h. The Mines Act, 1952 and the Mines Rules, 1955
i. Mines & Minerals (Development and Regulation) Act, 1957
j. The Environment Protection Act, 1986
k. Water (Prevention & Control of Pollution) Act, 1974
l. Air (Prevention & Control of Pollution) Act, 1981.

The company complies with Statutory Tax Audit requirement under section 44AB of the Income Tax Act, 1961, which is done by Tax Auditors appointed in his Tax Audit Report, so we have not reviewed compliance of applicable Income Tax Laws to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India, under Section 118 (10) of the Companies Act, 2013 with respect to the Meeting of the Board of Directors (SS-1) and General Meetings (SS-2) by the Company.

The management has represented and we have also checked that the Company being an unlisted Public Company the following Acts, Regulations, Guidelines, Agreements etc. as specified in the prescribed MR-3 Form were not applicable to the Company:

(i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act) :

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
(e) The Securities and Exchange Board of (Issue and Listing of Debt Securities) Regulations, 2008;
(f) The Securities and Exchange Board of India (Registers to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and;
(h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;

(iii) Listing Agreement with Stock Exchanges.

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

We further report that:

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

(b) Adequate notice was given to all directors to schedule the Board Meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

(c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of minutes.

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.

Sd/-
(CS Ashok Kumar Mishra)
FCS-5128, C.P. No-3270

Place: Bhubaneswar
Date: 26.04.2021

UDIN-F005128B000335997

This is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

Enclosure-A

Annexure to Secretarial Audit Report

To

The Members,
TRL Krosaki Refractories Limited
U26921OR1958PLC000349

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

1. Maintenance of secretarial records 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 practice and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
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, regulations, guidelines, standards and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test check 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.

Sd/-
(CS Ashok Kumar Mishra)
FCS-5128, C.P. No-3270

Place: Bhubaneswar
Date: 26.04.2021

Annexure D

Statement pursuant to Section 197 of the Companies Act, 2013 read with Rules of The Companies (Appointment and Rumuneration of Managerial Personnel) Rule, 2014

Name	Designation/ Nature of duties	Gross Remuneration ₹	Net Remuneration ₹	Qualifications	Age (Years)	Total Experience (Years)	Date of Commencement of Employment	Particulars of last Employment held
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
P. B. Panda	Managing Director	2,76,80,017	1,48,33,636	B. Sc. (Tech.) Ceramic Tech.	63	39	17.10.1981	—
H. Sehgal	EVP (Operations)	98,83,007	58,37,730	B. Tech. (Mech.)	55	32	08.03.2007	Vardhaman Textiles
M. V. Rao	Sr. VP (Finance) & CFO	89,56,379	52,10,962	FCMA	58	32	14.08.1992	Stiles India Ltd.
S. Sengupta	EVP (Sales, Marketing & Customer Care)	87,84,838	53,98,171	B.Tech. (Ceramic)	49	28	03.08.2009	IFGL Refractories Ltd.
P. K. Naik	Sr. V P (Associate Operations & Strategic Sourcing)	79,59,822	47,96,563	M Tech. (Geology)	56	29	01.08.1991	—
T. P. Dash	Sr. V P (Corporate Services)	78,51,741	46,06,836	M. Sc. (Chemistry), P.G. Diploma (Ecology & Env.), P.G. Diploma (Safety), P.HD. Env. Sc.	55	30	17.09.1991	J.K. Paper Mills Ltd.
R. K. Singh	V P (HR & IR)	74,73,755	48,07,082	PHD in HR Management, Executive MBA	55	25	10.05.2018	Hindustan Coca-cola Beverages Pvt. Ltd.
H. Nagata	Sr. V P (Tech & TSS)	68,38,026	44,96,247	M.Tech. (Metallurgy)	62	38	01.07.2015	Krosaki Harima Corporation, Japan
Krishnendu Kumar	AVP (DSS-EAST-KOL & CENTRAL)	67,29,821	43,97,327	Bsc. Technology (Ceramics)	44	20	01.08.2000	—
M. R. Padhi	V P (SCM)	61,04,924	39,01,479	MCA	49	26	14.12.1994	—

Notes:

1. Gross Remuneration comprises Salary, allowances, monetary value of perquisites, commissions and the Company's contribution to Provident Fund and Superannuation Fund but excludes contribution to Gratuity Fund as separate figures are not available.
2. Net Remuneration is after tax and is exclusive of Company's Contribution to provident fund and superannuation fund and monetary value of non-cash perquisites.
3. None of the above employees along with his spouse and dependent children hold 2% or more equity shares of the Company.
4. The nature of employment in all cases is contractual.
5. None of the above employees is a relative of any director of the Company.

On behalf of the Board of Directors

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)

Date : July 28, 2021
Place : Mumbai

Annexure E

Conservation of Energy, Technology Absorption

A. Conservation of Energy

(i) Steps taken or impact on conservation of energy

(a) Energy conservation measures taken:

i. Modified the locking system of exhaust damper plate in HTK resulting in stoppage of heat losses.

ii. Installation of MGS6 bricks in RTK lining has helped us to increase the campaign life due to avoidance of coating formation.

iii. Elimination of red spot at hot end zone of cooler by replacing cooler lifter segment castable by TRL42 bricks.

iv. VFDs (Variable frequency drives) were installed in following areas to reduce electrical energy consumption:

- De-dusting fans of High Alumina and Silica department
- Hammer mill and oil pumps of dolomite department
- Ball mill and mixer m/c dedusting fan of monolithics departmen

(b) Impact of above measures :

In-spite of fluctuations in loading, we have been able to avoid any significant loss in specific energy consumption.

(ii) Capital investment on energy conservation equipment- NIL.

B. Technology absorption, adaptation and innovation:

(i) Efforts, in brief, made towards technology absorption, adaptation and innovations:

- Number of new products have been introduced in the product basket with in-house development as well as with technical know-how with Krosaki Harima Corporation, Japan.
- New composite Tap hole clay (RSWO2) to eliminate the use of mix clay at BF cast house.
- Improved Corrosion (against high MnO Slag) & thermal shock resistance Trough Castable for higher performance in large capacity BF application.
- Shotcrete material for Torpedo maintenance/Repair.
- High performance Alumina-SiC-Carbon bricks for Transfer/Hot Metal Ladle application.
- Dry Hot- patching mass for BOF Repair/ maintenance.
- Non wetting castable for Aluminium Melting/Holding Furnace.
- Al_2O_3 -Spinel - Carbon bricks for Steel Ladle Slag/Metal Interface area.
- High performance Alumina-Magnesia -Carbon Brick for Steel Ladle Impact area Application.
- Semi rebonded Magnesia-Chrome bricks for RH Lower vessel application with improved corrosion and spalling resistance.
- High Alumina Bricks for CDQ Application.
- High performance Dolomite Bricks for Secondary steel making application.
- High performance collector nozzle for Steel ladle application.
- TRL Krosaki R&D - laboratory has been assessed & accredited in accordance with standard ISO/17025-2017(NABL).
- TRL Krosaki is continuously working jointly with Customers (TSL-TISTRIK) & Raw material suppliers (ALMATIS, IMERYS & ELKEM etc) for performance improvement of existing products, new product development and introduction of new raw materials.

(ii) Benefits derived as a result of above efforts

Improved product performance and cost reduction.

(iii) In case of imported technology (imported during the five years reckoned from the beginning of the financial year) following information may be furnished:

Details of Technology	Year of Import	Whether technology fully absorbed	Status of Implementation
Manufacturing of AG Refractories - Krosaki Harima Corporation, Japan	2019-20	N	Under Implementation

C. Research & Development

(i) Specific areas in which R&D work was carried out by the Company

New product development, improvement of product performance, upgradation of existing products, improvement for consistency of product, alternative cost-effective recipe development and use of optimum recycle materials. Major emphasis was given to the research in the field of iron making & Steel making areas like Trough, Torpedo repair material, Tap hole-clay, BOF repair material, Steel Ladle, Flow control, RH Degasser repair material and bricks. In stainless steel & non-ferrous area also continuous research work has been carried out to improve the performance of Dolomite, DBMC & High Alumina Products.

(ii) Benefits delivered as a result of R&D Programmes

R&D activities have helped Company in reducing the cost of raw materials through redesign of products which has helped to replace competitors & remain competitive in marketplace.

(iii) Future plan of action

Company continues its effort on developing/improving new/ Customized products through Marketing & Technical Services to meet the future technological challenges & meet Customer expectations. Redesigning of products with alternative raw materials to address the market requirement & business challenges. R&D will continue to work on reducing input cost.

(iv) Expenditure of R&D

(a) Capital	:	Rs.74.73 Lakhs
(b) Recurring	:	Rs.860.30 Lakhs
(c) Total	:	Rs. 935.03 Lakhs
(d) Total R&D expenditure as a Percentage of total turnover	:	0.65 %

D. Foreign Exchange Earnings & Outgo Research & Development

Foreign Exchanged Earned	:	Rs. 240.65 Crores
Foreign Exchanged Used	:	Rs. 367.70 Crores

On behalf of the Board of Directors

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)

Date : July 28, 2021
Place : Mumbai

Annexure F

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Overview

Refractories are composite materials used in large volume in extreme, usually corrosive environments in equipment, such as, furnace lining, molten metal storage and tapping for high temperature materials processing and other applications in which thermo chemical properties are of critical importance. Refractories are therefore facilitating or enabling materials and are essential to successful operations of any core industry in which high temperature applications are involved. About 70% of world refractories production is consumed by steel industry. In India steel industry consumes around 75% of refractories produced. Other significant consumers of refractories are copper, cement, lime, aluminum, glass, chemicals industries.

As the steel industry is the major consumer of refractories, the growth of refractories industry is closely linked with the growth of iron and steel industry. India has become 2nd largest producer of crude steel in the world. India's estimated steel production in 2020-21 is 94 Mn. MT an decrease of 18 Mn. MT from 112 Mn. MT in 2019-20. The out-break of COVID 19 pandemic has slowed down the economy and the steel production has reduced in India in the current year. However, India is expected to be one of the few countries with good demand of steel in the medium term. It is estimated that steel demand will continue to increase in India especially from construction, automotive and infrastructure sectors. Growth story of Indian Steel Industry is further supported by Government's thrust on infrastructure development which was announced in the Union Budget. Indian steel industry is expected to infuse fresh funds for raising capacity utilization. It is estimated that the steel production in India will increase to 130 Mn. MT by 2024-25. This will increase the demand for refractories. Other major consuming industries like cement, copper and aluminum are also expected to grow in the next 5 years.

Performance Review

During the year, the Company recorded negative growth due to impact of COVID-19 pandemic and the Profit Before exceptional items and Tax stood at Rs. 49.26 Crores (previous year: Rs. 131.38 Crores); Profit Before Tax Rs. 57.14 Crores (previous year: Rs. 131.38 Crores) and Profit After Tax of Rs. 44.48 Crores (previous year: Rs. 100.69 Crores). Although the volume of sales has increased from 2,75,599 MT in 2019-20 to 2,82,155 MT in 2020-21, the Profit Before Tax has reduced due to change in product mix and decrease in selling prices.

Sl. No.	Item	2020-21 ₹ Crores	2019-20 ₹ Crores	Change (%)
1	Sale of Products and Services	1424	1653	14 ↓
2	Other Income	6	1	500 ↑
3	Total Income (1+2)	1430	1654	14 ↓
4	Manufacturing and other Expenses	1340	1479	9 ↓
5	Earnings before interest, Depreciation, Taxes	90	175	49 ↓
6	Exceptional Item	8	0	800 ↑
7	Other comprehensive income (Loss)	(3)	(2)	50 ↑
8	EBIDTA margin	6.3%	10.6%	41 ↓
9	Depreciation	29	27	7 ↑
10	Finance Cost	12	17	29 ↓
11	Profit Before Tax	57	131	56 ↓
12	Profit After Tax	44	101	56 ↓

Raw material consumption decreased from Rs. 717 Crores in 2019-20 to Rs. 618 Crores in current year primarily on account of lower production of DBMC and Monolithics products. Stores and Spares consumption decreased from Rs. 32 Crores in 2019-20 to Rs. 27 Crores in current year primarily due to decrease in production. Fuel consumption decreased from Rs. 84 Crores in 2019-20 to Rs. 74 Crores in current year primarily due to decrease in furnace oil prices and decrease in production. Employee benefit expenses increased from Rs.126 Crores in 2019-120 to Rs. 130 Crores in current year primarily on account of salary revisions and its consequential impact on the retirement provisions. Depreciation increased from Rs. 27 Crores in 2019-20 to Rs. 29 Crores in current year primarily on account of increase in capitalization. Finance cost for the year was lower by Rs. 4 Crores compared to previous year primarily due to lower utilization of working capital facility following decrease in business. Freight and Handling charges increased from Rs. 81 Crores in 2019-20 to Rs. 87 Crores primarily due to supply of materials to overseas customers on DDU basis. Royalty decreased from Rs. 9 Crores in 2019-20 to Rs. 6 Crores in current year due to lower sale of royalty bearing products. Commission and discounts decreased from Rs. 12 Crores in 2019-20 to Rs.8 Crores in current year primality due to lower business through overseas agents. Travelling expenses decreased from Rs. 16 Crores in 2019-20 to Rs. 4 Crores in current year primarily due to restrictions on travel on account of COVID-19 Pandemic. Contractors' charges for refractory management have increased from Rs. 28 Crores in 2019-20 to Rs. 30 Crores in current year on account of increase in refractory management activities at customers' sites. Conversion and processing charges decreased from Rs.23 Crores in 2019-20 to Rs. 20 Crores in current year due to lower production following the restrictions to contain spread of COVID-19. Insurance charges increased from Rs.1 Crore in 2019-20 to Rs. 2 Crores in current year due to increase in policy rates and increase policy amount.

Customer Relationship

Excellence in product performance and be a benchmark in Technical Services to our customers are the key priorities of the organization. We keep ourselves updated with the needs of our customers across sectors. Our technical support team collaborates closely with customers to establish new benchmarks of performance that are the best in the industry with innovative solutions at every step.

During the year, the outbreak of pandemic necessitated change in our approach towards interaction with our customers. With social distancing in place at the customer sites, focus was given to use virtual platforms more intensely & reduce human interference at application work through improvement in mechanization & automation. Through virtual platforms, continuous contact was maintained with the customers & regular updates were taken proactively on their material stocks. Due to disruption in goods movement on account of lock down restrictions during the initial months of the year, liasoning was done with govt. authorities & transporters to ensure timely arrival of critical materials at customer premises. On many occasions, supplies had to be made promptly due to supply chain failures by competition. This earned appreciation from our customers. We did our first Webinar on "Improved Tap Hole Clay applications in Blast Furnace" as early as May'20 to ensure that we remain in touch with our customers & assure them of our uninterrupted service. Through use of tools in Microsoft Power BI, we synchronized data on taphole clay performance across various customer sites & provided statistical analysis to our customers to arrive at accurate root cause analysis to issues. This not only reduced manual interference but also improved the confidence of our customers on our analytical capability. In our Blast Furnace Trough Management jobs, the challenge was to ensure repair services in time in spite of reduced availability of manpower. During the first half of the year, Blast Furnaces across several customer sites were operating intermittently. Thus there was an additional challenge to improve monitoring of the health of lining of the trough and prevent unplanned outage. Our preparation in 2019 to improve on efficiency of installation with newly designed equipment helped us to overcome this challenge. We also introduced first of its kind gunning repairs in trough at some customer sites which helped in doing repair in trough safely with minimal downtime & lesser manpower. The Customer Service Team formed in 2018 to improve the product and service performance in Stainless Steel sector where primarily Dolomite Refractory is used has yielded successful results during the year and we have solved various customer pain points & recorded benchmark performances in AOD vessels. This service model was extended to AG and FCP Products in 2019. In this year, focused activities have been initiated to improve the quality of services in FCP & AG products. We introduced mechanization in several areas like development of "Semi Mechanized Refractory Handling Manipulator" for easy & safe handling by steel plant operators, "Well Block Setting Jig" for safe & easy lifting etc. As a part of the digitization initiative, implementation of "Customer Relationship Management" module powered by Microsoft has been initiated this year. This is expected to Go Live in 2021 and will significantly digitize several activities at the customer end & shall support an improved customer experience. Strong focus continues to be given on Safety at customer sites which was appreciated & the company was recognized for its efforts through accolades from several key customers like Tata Steel, JSW Steel, Arcelor Mittal Nippon Steel, Jindal Saw Limited to name a few.

International Business

The Company aims to continuously improve its global footprint and achieve minimum 30% of its annual revenue from International Business. The strategy is to focus on products where the capacity available for production cannot be fulfilled through sales in the Domestic market alone. Similar to its approach in Domestic market, the company aims to maximize sales in overseas through improved quality of Technical Services.

During the year, due to the global impact of the pandemic & the challenging scenario of production cut / stoppages in both ferrous & non-ferrous segments, deferment of projects, inventory corrections by customers and logistic constraints, the export revenue of the company stood at Rs. 238 Crores. Dolomite bricks which are one of the products where the company aims to improve its share in overseas market registered a volume growth of 46% YOY. Similarly, the company marked a footprint on Coke Oven Silica consumable business through sales made to Arcelor Mittal - Temirtau.

In order to improve its market presence in the Middle East, the company has established an office in UAE to ensure prompt attention to customer requirements. During the year, Company has received State Export Award for the year 2018-19 from Directorate of Export Promotion and Marketing, Odisha.

Borrowings and Liquidity

Borrowing for working capital decreased from Rs. 146 Crores in 2019-20 to Rs. 74 Crores in the current year primarily due to timely collection from customers during the year. Inventory of raw materials increased from Rs. 163 Crores in 2019-20 to Rs. 219 Crores in current year. Trade Receivables decreased from Rs. 274 Crores in 2019-20 to Rs. 237 Crores in the current year due to decrease in revenue and improved collection. Other current assets decreased from Rs. 50 Crores in 2019-20 to Rs. 31 Crores in the current year primarily due to decrease in advances with public bodies.

The average cost of borrowing has decreased from 6.23% in 2019-20 to 5.85% in the current year mainly due to change in mix of loans and decrease in Marginal Cost of funds-based Lending Rate (MCLR) by banks.

Keeping in view the business plan of 2021-22, current gearing level and unutilized credit limits, the Company is comfortable of managing its liquidity over the short and medium term.

Human Resources

The HR function successfully transitioned to "new normal" and ensured continuity of learning & development. More than 200 knowledge sharing sessions were done online and more than 100 employees completed 150 e-course online during the pandemic to enhance their competencies. Training team collaborated with internal and external experts for virtual learning sessions. A pool of internal subject matter experts was developed to ensure learning continues across departments and domains without any interruption.

Despite pandemic the annual increment & promotions of officers/ workmen were also carried out with the scheduled timelines. Employee feedback system was strengthened for organizational development where team feedback for senior and middle level of leadership were shared with leaders for their reflection and self -development. HR team ensured continuous connect with all employees through multiple forums. It reflects a progressive human resource practice for continuous leadership development and for improving people management practices. During the year, TRL Krosaki has been conferred with Golden Peacock HR Excellence Award 2021 for good Human resource development and management practices

Annexure G

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2020-21

Company's Corporate Governance Philosophy

TRL Krosaki Refractories Limited is not a Listed Company. Hence, the Corporate Governance norms are not statutorily mandatory for TRL Krosaki. However, your Company is committed to follow good corporate governance practices proactively. The Company emphasizes the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth. The Company believes that good corporate governance practices generate goodwill among business partners, customers and investors, earn respect from society, bring about a consistent sustainable growth and profitability for the Company and ensure competitive returns for the investors. The Corporate Governance Philosophy has been strengthened with the implementation of Code of Conduct applicable to the Company, its Directors and its Employees.

Board of Directors

The Board of Directors ("the Board") is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance.

SIZE AND COMPOSITION OF THE BOARD

The Company has a Non-Executive Chairman and all other Directors except the Managing Director are Non-Executive Directors (NEDs).

None of the Directors on the Board is Director in the Board of more than ten Public Companies (including directorship in private company which is either holding or subsidiary company of a public company) and more than twenty Companies. Also, none of the Director on the Board is a Member of more than 10 Board Committees (Audit Committees and Stakeholders' Relationship Committees) and a Chairman of more than 5 Committees, across all the Companies in which he or she is a Director.

Currently, the Board comprises; ten members consisting of one Managing Director, seven Non-Executive Directors (NEDs) including a Woman Director and two Independent Directors (Ids). The Board periodically evaluates the need for change in its composition and size. Detailed profile of our Directors is available on our website: www.trlkrosaki.com .

None of the NEDs serve as IDs in over seven listed companies and the Whole-time Director does not serve as ID on any listed company.

The Company has issued formal letters of appointment to Independent Directors. The terms and conditions of appointment of Independent Directors is available on the Company's website and can be accessed at http://www.trlkrosaki.com/aboutUs/Board-of-Directors.aspx

The names and categories of Directors on the Board, their attendance at Board Meetings during the year, and at the last Annual General Meeting, and also the number of Directorships and Committee Memberships held by them in other Companies are given below:

Name	DIN	Whether attended AGM held on September, 29, 2020	No. of Directorships in other Public Companies # As on 31.03.2021		No. of Committee Positions held in other Public Companies * As on 31.03.2021	
			As Chairman	As Director	As Chairman	As Member
Non-Executive Directors						
Mr. H. M. Nerurkar (Chairman)	00265887	Yes	4	3	7	15
Mr. Sachihiko Asaya	09043344	NA	—	—	—	—
Ms. Shuang Zhu	08745245	Yes	—	—	—	—
Mr. Toshikazu Takasu	07119176	Yes	—	—	—	—

Name	DIN	Whether attended AGM held on September, 29, 2020	No. of Directorships in other Public Companies # As on 31.03.2021		No. of Committee Positions held in other Public Companies * As on 31.03.2020	
			As Chairman	As Director	As Chairman	As Member
Mr. Anirban Dasgupta	06832261	NA	—	2	—	—
Mr. Sudhansu Pathak	06545101	Yes	—	1	—	1
Mr. Hisatake Okumura	05130777	Yes	—	—	—	—
Independent Directors						
Mr. P. V. Bhide	03304262	Yes	1	9	7	12
Mr. R. Ranganath	06725337	Yes	1	3	2	3
Executive Director(s)						
Mr. P. B. Panda (Managing Director)	07048273	Yes	—	—	—	—

Excludes Directorships in Private and Foreign Companies.

* Chairmanship/ Membership of Audit Committee and Stakeholders Relationship Committee.

Board Meetings

SCHEDULING AND SELECTION OF AGENDA ITEMS FOR BOARD MEETINGS

Dates for Board meetings in the ensuing year are decided in advance. Most Board meetings are held through MS Teams due to COVID-19 pandemic. The agenda and explanatory notes are sent to the Board in advance. The Board periodically reviews compliance reports of all laws applicable to the Company. The Board meets at least once a quarter to review the quarterly results and other items on the agenda and also on the occasion of the Annual General Meeting ("AGM") of the shareholders. Additional meetings are held, when necessary. Committees of the Board usually meet before the formal Board meeting, or whenever the need arises for transacting business. The recommendations of the Committees are placed before the Board for necessary approval.

Seven Board Meetings were held during the financial year 2020-21 and the gap between two consecutive meetings did not exceed one hundred and twenty days.

The details of meetings attended by Directors are given below:

Name of the Director	Category	No of meeting attended	Attendance(%)
Mr. H. M. Nerurkar *(Chairman)*	NED	7	100
Mr. P. B. Panda	ED	7	100
Mr. Sudhansu Pathak	NED	7	100
Mr. Kotaro Kuroda (up to 28th Sept 2020)	NED	3	43
Mr. Kiyotaka Oshikawa (up to 1st Feb 2021)	NED	3	43
Mr. Hisatake Okumura	NED	7	100
Mr. Anirban Dasgupta (w.e.f 28th July 2020)	NED	4	57
Ms. Shuang Zhu (w.e.f 26th May 2020)	NED	6	86
Mr. Toshikazu Takasu	NED	7	100
Mr. Sadayoshi Tateishi (up to 28th Sept 2020)	NED	2	29
Mr. Takeshi Yoshida (up to 28th Sept 2020)	NED	3	43
Mr. Sachihiko Asaya (w.e.f 16th Mar 2021)	NED	—	—
Mr. P. V. Bhide	ID	7	100
Mr. R. Ranganath	ID	7	100

ID - Independent Director, NED - Non-Executive Director, ED – Executive Director

Mr. K. Kuroda, Mr.T.Yoshida and Mr.S.Tateishi resigned from directorship effective 28th September, 2020.

Mr. K. Oshikawa resigned from directorship effective 1st February, 2021.

Ms. Shuang Zhu appointed as Director effective 26th May, 2020.

Mr. Anirban Dasgupta appointed as Director effective 28th July, 2020.

Mr. Sachihiko Asaya appointed as Director effective 16th March, 2021.

INDEPENDENT DIRECTORS MEETING

Pursuant to Schedule IV of the Companies Act, 2013, the Independent Directors met on 16th March, 2021 without the presence of Non Independent Directors and members of the Management. At this meeting, the Independent Directors inter alia evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

AUDIT COMMITTEE

The Company has constituted an Audit Committee of Directors under Section 177 of the Companies Act, 2013. The primary objective of the Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditor and the cost auditor and notes the processes and safeguards employed by each of them. The Committee further reviews the process and controls including compliance with applicable laws, code of conduct, Whistle Blower Policy and related cases thereto, functioning of the Prevention of Sexual Harassment at Workplace Policy and guidelines and Internal Controls. The Committee may also review such matters as considered appropriate by it or referred to it by the Board.

Six Meetings of the Audit Committee were held during the financial year 2020-21.

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

Name of the Director	Category	No of meeting attended	Attendance (%)
Mr. P. V. Bhide	ID	6	100
Mr. R. Ranganath	ID	6	100
Mr. K. Oshikawa	NED	3	50
Mr. Sachihiko Asaya	NED	—	—

ID - Independent Director, NED - Non-Executive Director

Mr. Sachihiko Asaya was appointed as Additional Director of the Company and became member of the Committee effective 16th March,2021.

The Audit Committee Meetings are attended by Internal Auditors and representative of Statutory Auditors are invited to the meetings. Other senior executives of the Company attended the meetings as invitees to address concerns raised by the Committee Members. The Company Secretary acts as the Secretary of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted Nomination and Remuneration Committee of Directors under Section 178 of the Companies Act, 2013.

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.
- Co-ordinates and overseas the annual self-evaluation of the performance of Board, Committees and of individual Directors.

Chairman of Nomination and Remuneration Committee, Mr. Hisatake Okumura is different from Chairman of Board of Directors. Mr. K. Kuroda was the chairman of the Committee up to 28th September 2020. Mr. H. Okumura became the member and the chairman of the Committee w.e.f 27th October 2020. Mr. P. V. Bhide, Mr. R. Ranganath and Mr. H. M. Nerurkar are the other members of the Committee.

Five meeting of the Nomination and Remuneration Committee was held during the financial year 2020-21.

The composition of the Nomination and Remuneration Committee and the details of meeting attended by the Directors are given below.

Name of the Director	Category	No of meeting attended	Attendance(%)
Mr. Kotaro Kuroda (Chairman) (up to 28th Sept,2020)	NED	3	60
Mr. Hisatake Okumura (Chairman) (w.e.f 27th Oct,2020)		1	20
Mr. H. M. Nerurkar	NED	5	100
Mr. P. V. Bhide	ID	5	100
Mr. R. Ranganath	ID	5	100

ID - Independent Director, NED - Non-Executive Director

REMUNERATION POLICY OF DIRECTORS, KMPs AND OTHER EMPLOYEES

The Remuneration Policy approved by the Nomination and Remuneration Committee and Board is available on the Company's website http://www.trlkrosaki.com/aboutus/policies.aspx.

DETAILS OF REMUNERATION TO DIRECTORS FOR 2020-21

(a) Non-Whole time Directors (₹ Lakhs)

Sl. No.	Name of the Director	Commission *	Sitting Fees
1	Mr. H. M. Nerurkar	35	5.15
2	Mr. Kotaro Kuroda (up to 28th Sept,2020)	0	1.95
3	Mr. Kiyotaka Oshikawa (up to 1st Feb,2021)	0	1.95
4	Mr. Sachihiko Asaya	—	—
5	Mr. Toshikazu Takasu	0	3.50
6	Mr. Sadayoshi Tateishi (up to 28th Sept,2020)	0	0.70
7	Mr. Anirban Dasgupta (w.e.f 28th July 2020)	0.43	2.00
8	Ms.Shuang Zhu (w.e.f 26th May,2020)	0.65	3.00
9	Mr. Sudhansu Pathak	0.98	3.50
10	Mr. Hisatake Okumura	1.09	3.80
11	Mr. Takeshi Yoshida (up to 28th Sept,2020)	0	1.20
12	Mr. P. V. Bhide	4.16	6.20
13	Mr. R. Ranganath	3.65	6.50

Note:

(a) * Commission for the financial year 2020-21, will be paid after approval of Financial Statements.

(b) Amounts indicated against Ms. Shuang Zhu and Mr. Hisatake Okumura are paid/payable to Krosaki Harima Corporation, Japan.

(c) Amounts indicated against Mr.A.Dasgupta is paid/payable to Steel Authority of India Ltd.

(d) Amount indicated against Mr. Sudhansu Pathak:

(i) Sitting Fee is payable to Tata Steel Ltd.

(ii) Commission is disbursed as per Tata Steel guidelines.

(b) Managing Director (₹ lakhs)

Name	Salary	Perquisites & Allowances	Commission @	Stock Options
Mr. P.B. Panda	94.16	37.25	80.00	—

@ Commission will be paid after adoption of financial statements for FY 2020-21 at the AGM scheduled to be held on September 29, 2021.

Service Contract, Severance Fees and Notice Period

Period of Contract of MD: From 4th April, 2020 to 3rd April, 2023

The contract may be terminated by either party giving the other party six months' notice or the Company paying six months' salary in lieu thereof. There is no separate provision for payment of severance fees.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In terms of Section 135 of the Companies Act, 2013, the Board has constituted a Corporate Social Responsibility (CSR) Committee to monitor the Corporate Social Responsibility Policy of the Company and the activities included in the policy.

The terms of reference of the Committee are:

a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

b) To recommend the amount of expenditure to be incurred on CSR activities; and

c) To monitor from time to time the CSR Policy of the Company.

One Meeting of the Corporate Social Responsibility (CSR) Committee were held during the financial year 2020-21.

The composition of the CSR Committee and the details of meeting attended by the Directors are given below:

Name of the Director	Category	No of meeting attended	Attendance(%)
Mr. Sudhansu Pathak (Chairman)	NED	1	100
Mr. P. B. Panda	ED	1	100
Mr. Sudhir K. Joshi	ID	1	100

ID - Independent Director, NED - Non-Executive Director, ED – Executive Director

COMMITTEE OF BOARD

In addition to the above Committees on Corporate Governance, the Board has also constituted an additional committee known as Committee of Board and its terms of reference amongst its other functions is to periodically review:

- Business and Strategy
- Financial matters requiring special attention
- Long term financial projections and cash flow
- Capital expenditure programmes
- Organizational Structure.

COB shall also periodically review Company's business plans, profit projections, ways and means position etc.

Two meeting of the Committee of Board (COB) was held during the financial year 2020-21.

The composition of the COB and the details of meeting attended by the Directors are given below.

Name of the Director	Category	No of meeting attended	Attendance(%)
Mr. H. M. Nerurkar (Chairman)	NED	2	100
Mr. P. B. Panda	ED	2	100
Mr. Kotaro Kuroda (up to 28th Sept,2020)	NED	0	0
Mr. K. Oshikawa (up to 1st Feb, 2021)	NED	0	0
Mr. H. Okumura (w.e.f 27th Oct,2020)	NED	1	50
Mr. T. Takasu (w.e.f 27th Oct,2020)	NED	1	50

NED - Non-Executive Director, ED – Executive Director

Mr. K. Kuroda resigned from the Board and ceased to be member of the Committee effective 28th September 2020. Mr. H. Okumura and Mr. T. Takasu became member of the Committee effective 27th October 2020. Mr. K. Oshikawa resigned from the Board and ceased to be member of the Committee effective 1st Feb 2021.

GENERAL BODY MEETINGS

(a) Location and time, for last three Annual General Meetings (AGMs) and details of Special Resolution Passed:

Financial Year	Date	Time	Location	Special Resolution Passed for
2019-20	29th Sept'20	13:00 PM	Belpahar,Jharsuguda, Odisha - 768218	Re-appointment of Mr. P. B.Panda, Managing Director
2018-19	25th Sept'19	11:00 AM	Belpahar,Jharsuguda, Odisha - 768218	1. Revision in terms of remuneration of Mr. P. B. Panda, Managing Director 2. Alteration of Article of Association
2017-18	18th Sept'18	12:00 Noon	Belpahar, Jharsuguda, Odisha - 768 218	Re-appointment of Mr. P. B. Panda, Managing Director

(b) No Extra-Ordinary General Meeting of shareholders was held during the Year under review.

OTHER DISCLOSURES

The Board has received disclosures from key managerial personnel relating to financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions, which have potential conflict with the interests of the Company at large.

INFORMATION TO INVESTORS

Annual General Meeting 2021

Date	**29th September, 2021**
Time	12:00 Noon IST
Venue	Through video conference/other audio visual means
Financial Year	1st April 2020 to 31st March, 2021

Particulars of Directors seeking appointment / re-appointment are given in the annexure to the Notice of the Annual General Meeting to be held on 29th September, 2021.

Address for correspondence

Company Secretary
TRL Krosaki Refractories Limited
CIN-U26921OR1958PLC000349
PO: Belpahar – 768 218
Dist.: Jharsuguda, Odisha, INDIA
Phone: +91 6645 258417
E-mail: sambit.mishra@trlkrosaki.com

Distribution of Shareholding as on 31st March, 2021

Number of Shares Slab	Number of Shareholders	% of Shareholders	Number of Shares Held	% of Shares Held
1-100	25	22.52	1,960	0.01
101-500	23	20.73	7,948	0.04
501-1000	15	13.51	14,350	0.07
1001-5000	16	14.41	42,520	0.20
5001-10000	4	3.60	31,498	0.15
10001-100000	23	20.73	7,98,210	3.82
Above 100000	5	4.50	200,03,514	95.71
Total	**111**	**100**	**209,00,000**	**100**

Categories of Shareholding as on 31st March, 2021

Category of Shareholder	Number of Shares Held	Percentage of Share Capital
Foreign Holdings	162,22,864	77.62
Government Companies	22,03,150	10.54
FIs, Insurance Companies & Banks	9,62,500	4.61
Other Corporate Bodies	4,09,490	1.96
Mutual Funds	—	—
Directors & Relatives	100	—
Key Managerial Personnel & Relatives	—	—
Individual & Others	11,01,896	5.27
Total	**209,00,000**	**100**

Top Ten Shareholders of the Company as on 31st March, 2021

Sl.No.	Name of the Shareholders	No. of Shares Held	% of Holding
1	Krosaki Harima Corporation	162,22,864	77.62
2	Steel Authority of India Limited	22,03,150	10.54
3	Life Insurance Corp. of India	9,62,500	4.61
4	Rita Pavankumar	4,65,000	2.22
5	SMIFS Limited	1,50,000	0.72
6	S. M. S. Investment Corp. Pvt. Limited	97,490	0.47
7	Devraj Singh	92,285	0.44
8	Lalitya Kumari	92,285	0.44
9	Man-Made Fibers Pvt. Limited	75,000	0.36
10	M/s Alpic Finance Limited	70,000	0.33

Dematerialization of shares as on 31st March, 2021

We have established connectivity with the depository, i.e. National Security Depository Limited (NSDL). The International Securities Identification Number ("ISIN") allotted to the shares under the Depository System is **INE 012L01014.** 2,04,66,974 equity shares of the Company representing 97.93 % of the Company's Share Capital is dematerialized as on 31st March, 2021.

Unclaimed Dividend-

- All unclaimed /unpaid dividend amounts up to financial year 2012-13, have been transferred to Investor Education & Protection Fund and no claims will lie against the Company or the Fund in respect of the unclaimed amounts so transferred.
- The unclaimed dividend declared in respect of the financial year 2013-14 can be claimed by the shareholders by 5th October, 2021.

Address for Correspondence : Company Secretary
TRL Krosaki Refractories Limited
PO: Belpahar – 768 218, Dist: Jharsuguda
Odisha, INDIA

Phone: +91 6645 258417
E-mail: sambit.mishra@trlkrosaki.com

OTHER INFORMATION TO THE SHAREHOLDERS

Dividend History for the last 10 years

Financial Year	Dividend Date	Rate	Financial Year	Dividend Date	Rate
2019-20	29.09.2020	145%	2014-15	29.09.2015	10%
2018-19	25.09.2019	122%	2013-14	06.09.2014	10%
2017-18	18.09.2018	66%	2012-13	21.09.2013	10%
2016-17	28.06.2017	63%	2011-12	15.09.2012	35%
2015-16	26.09.2016	20%	2010-11	06.05.2011	158%

Nomination Facility

Shareholders who hold shares in the physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Companies Act, 2013, may submit to the Company the prescribed Forms SH-13/SH-14. The Nomination Form can be downloaded from the Company's website https://www.trlkrosaki.com/about-us/forms-documents.aspx.

Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, nomination and power of attorney should be given directly to the Depository Participant (DP).

Shares held in Physical Form

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, nomination and power of attorney should be given to the Company. As per Companies Act,2013, transfer of physical shares is banned. Accordingly, Shareholders are suggested to dematerialize the shares.

Remittance of Dividend through Electronic Mode

The Company provides the facility for remittance of dividend to Shareholders through NECS (National Electronic Clearing Service) / RTGS (Real Time Gross Settlement) / NEFT (National Electronic Funds Transfer). Shareholders, who have not opted for remittance of dividend through electronic mode and wish to avail the same, are required to provide their bank details, including MICR (Magnetic Ink Character Recognition) and IFSC (Indian Financial System Code) to their respective Depository Participants (DPs) or to the ISC, where shares are held in the dematerialized form and in the certificate form, respectively.

Shareholders holding shares in the physical form may use the NECS Mandate Form for this purpose, which can be downloaded from the Company's website under the section 'Investor Relations' or can be furnished by the Company on request.

INDEPENDENT AUDITOR'S REPORT

To the Members of TRL Krosaki Refractories Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of TRL Krosaki Refractories Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other 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 SAs are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone 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 on the Standalone financial statements.

Other Information

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

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

Management's and Board of Directors' Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor’s Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to 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 in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 auditors' report to the related disclosures in the standalone 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
   - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   - (c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
   - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 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".

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements - Refer note 26 to the standalone 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

iv. The disclosures regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2021.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 read with Schedule V of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 read with Schedule V of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022
UDIN No. : 21060715AAAAGI3467

sd/-

Seema Mohnot
Partner
Membership No.060715

Place: Kolkata
Date: April 27, 2021

Annexure A to the Independent Auditors' report on the standalone financial statements of TRL Krosaki Refractories Limited for the year ended 31 March 2021

(Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, a portion of the fixed assets has been physically verified by the management during the year. In our opinion, the frequency of such physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification carried out during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company. In respect of immovable properties take on lease and disclosed as right-of-use assets in the standalone financial statement, the lease agreements are in the name of the Company.

(ii) According to the information and explanations given to us, the inventory, except goods-in-transit and stocks lying with third parties, have been physically verified by the management, at reasonable intervals, during the year. In our opinion, the frequency of such verification is reasonable. For goods-in-transit as at year end, subsequent clearance of goods has been verified. For stocks lying with the third parties as at the year end, written confirmations have been obtained by the management. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) According to the information and explanations given to us, the Company has granted unsecured interest free loan in the earlier years to one person covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'), in respect of which :

(a) no loan has been granted during the year to the person listed in the register maintained under Section 189 of the Act.

(b) the schedule of repayment of principal has been stipulated and repayments or receipts of principal amounts have been regular as per stipulations.

(c) there is no overdue amount remaining outstanding as at the year-end.

(iv) According to the information and explanations given to us, the Company has not given any loans, guarantees or security during the year that would attract provisions of Section 185 of the Act. In our opinion and accordingly to the information and explanations given to us, the provisions of Section 186 of the Act in respect to investments made has been complied with by the Company.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the provisions of paragraph 3(v) of the Order are not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act in respect of the products manufactured by the Company and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete. The Company is not required to maintain cost records under Section 148(1) in respect of services rendered by them.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, goods and services tax, duty of customs, cess, income tax and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us by the management, the Company did not have any dues on account of sales tax, service tax, duty of excise and value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, goods and services tax, duty of customs, cess, income tax and any other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, goods and services tax, sales tax, value added tax, entry tax, service tax, duty of excise and duty of custom which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:

Name of the statute	Nature of the dues	Amount in ₹	Period to which amount relates	Forum where dispute is pending
Income tax Act, 1961	Disallowances arising in income tax proceedings	71,35,757	2015-16	Income Tax Appeallate Tribunal
Central Excise Act, 1944	Disallowance of Cenvat Credit (deposits paid Rs. 22,50,728)	3,78,29,702	2000-01, 2003-04 to 2010-11	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Disallowance of Cenvat Credit	82,23,000	1999-2000 and 2001-02	Hon'ble High Court of Madras
Central Excise Act, 1944	Disallowance of Cenvat Credit (deposits paid Rs. 15,00,513)	4,00,13,670	2007-08 and 2008-09	Commissioner (Appeals)
Customs Act,1962	Classification of products under incorrect category (deposits paid Rs. 3,55,65,938)	3,55,65,938	2015-16 to 2020-21	Assistant Commissioner
Customs Act,1962	Classification of products under incorrect category (deposits paid Rs. 3,63,52,509)	3,63,52,509	2015-16 to 2017-18	Central Excise and Service Tax Appellate Tribunal
Customs Act,1962	Classification of products under incorrect category (deposits paid Rs. 4,55,47,418)	4,55,47,418	2011-12 to 2019-20	Commissioner (Appeals)
Finance Act, 1994	Disallowance of credit on outward transportation (deposits paid Rs. 6,71,378)	1,79,43,302	2005-06 to 2008-09	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Disallowance of Cenvat Credit (deposits paid Rs. 2,64,431)	70,51,496	2013- 14 to 2017-18	Commissioner (Appeals)
Central Excise Act, 1944	Disallowance of Cenvat Credit (deposits paid Rs. 12,35,173)	3,46,24,955	2015-16 and 2016-17	Commissioner (Appeals)
Central Excise Act, 1944	Inadmissable Cenvat Credit wrongly availed and utilised (deposits paid Rs. 4,81,500)	1,28,40,008	2016-17	Commissioner (Appeals)
Central Sales Tax Act, 1956	Non submission of Statutory forms (deposits paid Rs. 1,20,26,957)	1,60,37,689	2006-07 to 2008-09	Sales Tax Tribunal
Central Sales Tax Act, 1956	CST demanded on branch transfer (deposits paid Rs. 20,00,000)	1,50,92,299	1994-1995	Hon'ble High Court of Odisha
Central Sales Tax Act, 1956	Non submission of statutory forms (deposits paid Rs. 93,08,973)	1,67,57,445	1987-89, 2009-10 to 2011-12, 2014-15 to 2017-18	Sales Tax Tribunal
Central Sales Tax Act, 1956	Non submission of statutory forms (deposits paid Rs. 40,62,769)	40,62,769	2012-13 to 2013-14	Additional Commissioner of Sales Tax, Appeal
Central Sales Tax Act, 1956	Non submission of statutory forms (deposits paid Rs. 36,98,736)	2,56,99,595	2009-10 to 2010-11	Commissioner
Central Sales Tax Act, 1956	Submission of defective forms (deposits paid Rs. 7,50,000)	43,20,734	2005-06	Additional Commissioner
Central Sales Tax Act, 1956	Non submission of Statutory forms	2,00,000	1986-1989	Commissioner of Sales Tax
Odisha Entry Tax Act, 1999	Tax demand on non-scheduled goods (deposits paid Rs. 76,503)	11,47,542	2012-13 to 2013-14	Sales Tax Tribunal
Orissa Value Added Tax Act, 2004	Disallowance of input credit (deposits paid Rs. 21,64,470)	21,64,470	2005-06 to 2006-07	Sales Tax Tribunal
Orissa Value Added Tax Act, 2004	Reversal of input tax credit	26,57,04,686	2007-08 to 2013-14	Hon'ble High Court of Odisha
Gujarat Value Added Tax, 2003	Demand due to incorrect filing by supplier	5,76,32,253	2009-10	Commissioner of Sales Tax
Orissa Value Added Tax Act, 2004	Disallowance of input credit (deposits paid Rs. 144,968)	21,74,520	2014-15	Sales Tax Tribunal
Orissa Value Added Tax Act, 2004	Disallowance of Input tax Credit (deposits paid Rs. 2,32,718)	14,54,489	2015-16 to 2017-18	Sales Tax Tribunal
Jharkhand Value Added Tax Act, 2005	Disallowance of input credit	10,72,640	2015-16	Joint Commissioner (Appeals)
Central Sales Tax Act, 1956	Non submission of Statutory forms	8,84,609	2015-16	Joint Commissioner (Appeals)
Jharkhand Value Added Tax Act, 2005	Disallowance of input credit	3,77,198	2016-17	Deputy Commissioner
Central Sales Tax Act, 1956	Non submission of Statutory forms	7,45,838	2016-17	Deputy Commissioner

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company did not have any outstanding loan or borrowings from financial institution or government or debenture holders during the year.

(ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loan taken by the Company during the year have been applied for the purposes for which they were raised.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid or provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V of the Act.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of paragraph 3(xii) of the Order are not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details of such transactions have been disclosed in the standalone financial statements as required by applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them as per Section 192 of the Act. Accordingly, the provisions of paragraph 3(xv) of the Order are not applicable to the Company.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of paragraph 3(xvi) of the Order are not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022
UDIN No. : 21060715AAAAGI3467

sd/-

Seema Mohnot
Partner
Membership No.060715

Place: Kolkata
Date: April 27, 2021

Annexure B to the Independent Auditors' report on the standalone financial statements of TRL Krosaki Refractories Limited for the year ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph [2(A)f] under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of TRL Krosaki Refractories Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls 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 Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' 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 with reference to financial statements. 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 were established and maintained and whether 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 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 such internal financial controls, 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 auditors' judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with reference to Financial Statements

A company's internal financial controls 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 controls with reference to financial statements include 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 controls 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.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022
UDIN No. : 21060715AAAAGI3467

sd/-

Seema Mohnot
Partner
Membership No.060715

Place: Kolkata
Date: April 27, 2021

STANDALONE BALANCE SHEET AS AT 31 MARCH 2021

Particulars	Note	As at 31 March 2021 ₹	As at 31 March 2020 ₹
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	01(a)	300,70,96,585	240,65,09,328
(b) Capital work-in-progress	01(c)	107,16,64,072	69,35,32,740
(c) Right-of-use assets	29	18,59,26,863	18,44,93,590
(d) Intangible assets	01(b)	3,18,10,033	3,43,79,513
(e) Investments in associates	02	14,60,60,575	14,60,60,575
(f) Financial assets			
(i) Investments	03	1,49,36,500	86,19,000
(ii) Loans	04	5,21,24,175	5,92,75,806
(iii) Other financial assets	05	—	3,46,53,923
(g) Non-current tax assets (net)		1,52,65,829	10,29,04,117
(h) Other non-current assets	06	25,80,28,701	29,79,59,875
Total Non-current assets		**478,29,13,333**	**396,83,88,467**
(2) Current assets			
(a) Inventories	07	356,60,27,852	314,01,62,437
(b) Financial assets			
(i) Trade receivables	08	237,15,05,637	274,21,82,238
(ii) Cash and cash equivalents	09	1,31,22,819	77,36,150
(iii) Other balances with banks	10	10,694	18,56,153
(iv) Loans	04	2,41,29,018	2,97,73,625
(v) Other financial assets	05	20,27,414	27,49,667
(c) Other current assets	06	31,35,80,161	49,69,76,226
(d) Assets held-for-sale		2,77,90,085	8,61,82,870
Total Current assets		**631,81,93,680**	**650,76,19,366**
TOTAL ASSETS		**1110,11,07,013**	**1047,60,07,833**
EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity share capital	11	20,90,00,000	20,90,00,000
(b) Other equity		476,66,64,342	465,04,71,387
Total Equity		**497,56,64,342**	**485,94,71,387**
(2) LIABILITIES			
(i) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	101,42,76,750	87,17,20,000
(ii) Lease liabilities	29	19,41,16,397	18,54,54,065
(b) Provisions	15	41,94,34,260	32,90,45,975
(c) Deferred tax liabilities (net)		6,71,67,966	5,85,92,841
Total Non-current liabilities		**169,49,95,373**	**144,48,12,881**
(ii) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	74,00,91,405	145,99,59,996
(ii) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	13(a)	2,62,48,180	2,78,13,667
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	13(b)	285,54,19,182	212,26,60,336
(iii) Lease liabilities	29	1,20,66,541	99,51,139
(iv) Other financial liabilities	14	56,85,64,239	8,81,09,902
(b) Other current liabilities	16	10,47,20,118	32,05,70,496
(c) Provisions	15	8,74,39,956	8,89,69,279
(d) Current tax liabilities (net)		3,58,97,677	5,36,88,750
Total Current liabilities		**443,04,47,298**	**417,17,23,565**
TOTAL EQUITY AND LIABILITIES		**1110,11,07,013**	**1047,60,07,833**
Notes forming part of financial statements	(1 - 40)		

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, April 27, 2021

For and on behalf of the Board of Directors
CIN-U26921OR1958PLC000349

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
Mumbai

sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)
Belpahar

sd/-
M. V. RAO
Sr. VP (Finance) & CFO
Belpahar

sd/-
SAMBIT MISHRA
Company Secretary
(ACS:59808)
Belpahar

April 27, 2021

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021

			Note	April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
I	Revenue from operations		17	1423,92,77,264	1652,91,60,514
II	Other income		18	5,80,48,439	84,52,787
III	**Total Income (I + II)**			**1429,73,25,703**	**1653,76,13,301**
IV	**EXPENSES**				
	(a)	Cost of materials consumed	20	617,69,95,338	716,83,00,302
	(b)	Purchases of stock-in-trade		210,10,82,304	246,13,23,335
	(c)	Changes in inventories of finished goods, stock-in-trade and work-in-progress	21	12,98,35,739	(12,48,35,468)
	(d)	Employee benefits expense	22	130,62,14,272	125,65,39,715
	(e)	Finance costs	23	12,41,60,393	16,55,21,583
	(f)	Depreciation and amortisation expense	01 & 29	28,93,49,422	26,82,69,869
	(g)	Other expenses	24	367,70,78,538	402,86,66,353
	Total Expenses (IV)			**1380,47,16,006**	**1522,37,85,689**
V	**Profit before exceptional item and tax (III - IV)**			**49,26,09,697**	**131,38,27,612**
VI	**Exceptional Item**		19	**7,87,97,625**	—
VII	**Profit before tax (V+VI)**			**57,14,07,322**	**131,38,27,612**
VIII	**Tax Expense**				
	(a)	Current tax	34	10,52,44,433	33,78,60,855
	(b)	Taxation for earlier years		29,78,009	(16,19,521)
	(c)	Deferred tax		1,83,75,862	(2,92,95,346)
	Total tax expense			**12,65,98,304**	**30,69,45,988**
IX	**Profit for the year (VII-VIII)**			**44,48,09,018**	**100,68,81,624**
X	**Other Comprehensive Income / (loss)**				
	(i)	**Items that will not be reclassified subsequently to profit and loss**			
		(a) Remeasurement loss of defined benefit plans		(4,16,84,300)	(2,23,75,800)
		(b) Fair value changes of investments in equity shares		63,17,500	(29,75,500)
	(ii)	**Income tax on items that will not be reclassified subsequently to profit and loss**		98,00,737	20,63,502
	Total Other comprehensive loss for the year			**(2,55,66,063)**	**(2,32,87,798)**
IX	**Total Comprehensive Income for the year (IX+X)**			**41,92,42,955**	**98,35,93,826**
XII	**Earnings per equity share**				
	Basic and Diluted [Face value of ₹ 10 each] (PY: Face value of ₹ 10 each)		39	21.28	48.18
Notes forming part of financial statements			(1 - 40)		

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, April 27, 2021

For and on behalf of the Board of Directors
CIN-U26921OR1958PLC000349

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
Mumbai

sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)
Belpahar

sd/-
M. V. RAO
Sr. VP (Finance) &
CFO
Belpahar

sd/-
SAMBIT MISHRA
Company Secretary
(ACS:59808)
Belpahar

April 27, 2021

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

(A) EQUITY SHARE CAPITAL

(Refer Note 11)

As at 31 March 2021 ₹

Particulars	Balance as at 1 April 2020	Changes in equity share capital during the year	Balance as at 31 March 2021
Equity Share Capital	20,90,00,000	—	20,90,00,000

As at 31 March 2020 ₹

Particulars	Balance as at 1 April 2019	Changes in equity share capital during the year	Balance as at 31 March 2020
Equity Share Capital	20,90,00,000	—	20,90,00,000

(B) OTHER EQUITY

(Refer Note 11)

As at 31 March 2021 ₹

Particulars	Reserve & Surplus			Items of Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Security Premium Reserve	Investment Revaluation Reserve	
Balance as at 1 April 2020	**246,12,04,403**	**142,33,53,424**	**75,73,04,560**	**86,09,000**	**465,04,71,387**
Profit for the year	44,48,09,018	—	—	—	**44,48,09,018**
Dividend	(30,30,50,000)	—	—	—	**(30,30,50,000)**
Fair value gain on equity instrument	—	—	—	63,17,500	**63,17,500**
Remeasurement loss on defined benefit plans	(3,18,83,563)	—	—	—	**(3,18,83,563)**
Balance as at 31 March 2021	**257,10,79,858**	**142,33,53,424**	**75,73,04,560**	**1,49,26,500**	**476,66,64,342**

As at 31 March 2020 ₹

Particulars	Reserve & Surplus			Items of Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Security Premium Reserve	Investment Revaluation Reserve	
Balance as at 1 April 2019	**178,20,26,966**	**142,33,53,424**	**75,73,04,560**	**1,15,84,500**	**397,42,69,450**
Profit for the year	100,68,81,624	—	—	—	**100,68,81,624**
Dividend (Including dividend distribution tax)	(30,73,91,889)	—	—	—	**(30,73,91,889)**
Fair value loss on equity instrument	—	—	—	(29,75,500)	**(29,75,500)**
Remeasurement loss on defined benefit plans	(2,03,12,298)	—	—	—	**(2,03,12,298)**
Balance as at 31 March 2020	**246,12,04,403**	**142,33,53,424**	**75,73,04,560**	**86,09,000**	**465,04,71,387**

Retained earnings: Retained earnings are profit that the Company has earned till date, less dividend or other distributions paid to shareholders. It also includes remeasurement gain / loss of defined benefit plans.

General Reserve: Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. There is no movement in general reserve during the current and previous year.

Securities premium : Securities premium is used to record the premium on issue of shares. Securities premium is utilised in accordance with the provisions of the Companies Act, 2013. There is no movement in securities premium during the current and previous year.

Investment revaluation reserve: The cumulative gains and losses arising on fair value changes of equity investments measured at fair value through other comprehensive income are recognised in investment revaluation reserve.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, April 27, 2021

For and on behalf of the Board of Directors
CIN-U26921OR1958PLC000349

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
Mumbai

sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)
Belpahar

sd/-
M. V. RAO
Sr. VP (Finance) & CFO
Belpahar

sd/-
SAMBIT MISHRA
Company Secretary
(ACS:59808)
Belpahar

April 27, 2021

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2021

		April 2020 - March 2021 ₹	April 2019 - March 2020 ₹
A.	**Cash Flow from Operating activities:**		
	Profit before tax	57,14,07,322	131,38,27,612
	Adjustments for :		
	Depreciation and amortisation expense	28,93,49,422	26,82,69,869
	Write back of allowances for credit loss	(1,62,74,849)	(9,03,352)
	Property, plant and equipment written off	—	22,67,695
	Exceptional Item (Profit on sale of assets held-for sale)	(7,87,97,625)	—
	Dividend income	(2,06,51,141)	(1,00,000)
	Net gain on sale of property, plant and equipment	(30,17,410)	(15,40,789)
	Interest income	(3,43,79,888)	(68,11,998)
	Finance costs	12,41,60,393	16,55,21,583
	Unrealised gain on foreign exchange fluctuation	(36,66,919)	(93,87,374)
	Operating profit before working capital changes	**82,81,29,305**	**173,11,43,246**
	Adjustments for:		
	Decrease / (Increase) in non-current / current financial and other assets	52,39,33,809	(42,20,05,483)
	(Increase) / decrease in inventories	(42,58,65,415)	45,52,85,155
	Increase in non-current / current financial and other liabilities / provisions	60,34,39,967	6,44,01,111
	Cash generated from operations	**152,96,37,666**	**182,88,24,029**
	Income tax paid (net of refunds)	(3,83,75,227)	(36,82,39,835)
	Net Cash from Operating Activities A	**149,12,62,439**	**146,05,84,194**
B.	**Cash Flow from Investing Activities:**		
	Acquisitions of property, plant and equipment	(116,10,38,249)	(129,23,63,340)
	Proceeds on sale of property, plant and equipment	39,82,198	23,56,136
	Advance against sale of land	2,74,18,392	4,75,00,000
	Proceeds from sale of land	8,96,90,410	—
	Fixed deposits with bank	3,40,92,885	(1,31,587)
	Interest received	3,74,94,766	41,76,414
	Dividend received	2,06,51,141	1,00,000
	Net Cash used in Investing Activities B	**(94,77,08,457)**	**(123,83,62,377)**
C.	**Cash Flow from Financing Activities:**		
	Proceeds from borrowings	59,75,56,361	139,38,11,163
	Repayment of borrowings	(81,91,68,977)	(126,66,73,219)
	Payment of lease liabilities (including interest)	(2,34,10,979)	(2,17,13,379)
	Proceeds from government grant	11,92,53,864	1,53,67,107
	Interest paid	(10,93,47,582)	(14,34,05,765)
	Dividend paid (including dividend distribution tax)	(30,30,50,000)	(30,73,91,889)
	Net Cash (used in) / from Financing Activities C	**(53,81,67,313)**	**(33,00,05,982)**
Net (decrease) / increase in cash and cash equivalents (A+B+C)		53,86,669	(10,77,84,165)
Opening Cash and Cash equivalents (Refer Note 9)		**77,36,150**	**11,55,20,315**
Closing Cash and Cash equivalents (Refer Note 9)		**1,31,22,819**	**77,36,150**

Note:

I) Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 specified under Section 133 of the Companies Act, 2013.

ii) Figures in brackets represent cash outflows.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, April 27, 2021

For and on behalf of the Board of Directors
CIN-U26921OR1958PLC000349

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
Mumbai

sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)
Belpahar

sd/-
M. V. RAO
Sr. VP (Finance) &
CFO
Belpahar

sd/-
SAMBIT MISHRA
Company Secretary
(ACS:59808)
Belpahar

April 27, 2021

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

NOTE 01

Description	Cost / (Deemed Cost) as at 1 April 2020 ₹	Additions ₹	Deductions ₹	Cost / (Deemed Cost) as at 31 March 2021 ₹	Accumulated Depreciation as at 1 April 2020 ₹	Depreciation for the Year: Additions ₹	Depreciation for the Year: Disposals/ Deductions ₹	Accumulated Depreciation as at 31 March 2021 ₹	Net Carrying Value as at 31 March 2021 ₹
1(a). Property, plant and equipment									
Freehold Land	18,67,412	–	–	18,67,412	–	–	–	–	18,67,412
	(18,67,412)	–	–	(18,67,412)	–	–	–	–	(18,67,412)
Buildings and Roads	94,44,84,452	25,39,98,526	31,07,735	119,53,75,243	19,58,78,012	2,92,50,319	31,07,735	22,20,20,596	97,33,54,647
	(72,50,81,520)	(21,94,02,932)	–	(94,44,84,452)	(17,41,54,312)	(2,17,23,700)	–	(19,58,78,012)	(74,86,06,440)
Plant and Machinery	202,54,18,432	56,81,52,285	4,14,13,508	255,21,57,209	55,11,03,687	18,66,42,296	4,05,85,239	69,71,60,744	185,49,96,465
	(181,72,03,866)	(30,22,08,488)	(9,39,93,922)	(202,54,18,432)	(47,21,16,898)	(17,01,27,852)	(9,11,41,063)	(55,11,03,687)	(147,43,14,745)
Railway Siding	1,34,48,476	–	–	1,34,48,476	72,24,870	14,44,974	–	86,69,844	47,78,632
	(1,34,48,476)	–	–	(1,34,48,476)	(57,79,896)	(14,44,974)	–	(72,24,870)	(62,23,606)
Furniture and Fixture	15,15,01,214	16,73,669	1,48,196	15,30,26,687	7,28,29,760	1 ,42,20,816	1,47,092	8,69,03,484	6,61,23,203
	(10,57,07,638)	(4,60,21,945)	(2,28,369)	(15,15,01,214)	(5,41,26,315)	(1,89,31,814)	(2,28,369)	(7,28,29,760)	(7,86,71,454)
Office Equipments	8,12,51,455	2,39,81,768	67,77,647	9,84,55,576	2,51,27,135	1,75,78,207	66,42,232	3,60,63,110	6,23,92,466
	(8,32,07,478)	(2,96,17,454)	(3,15,73,477)	(8,12,51,455)	(4,12,68,179)	(1,53,74,582)	(3,15,15,626)	(2,51,27,135)	(5,61,24,320)
Vehicles	4,90,47,912	1,26,00,260	–	6,16,48,172	83,46,561	97,17,851	–	1,80,64,412	4,35,83,760
	(2,58,69,187)	(2,45,32,680)	(13,53,955)	(4,90,47,912)	(5,02,247)	(90,25,937)	(11,81,623)	(83,46,561)	(4,07,01,351)
Total Property, plant and equipment	**326,70,19,353**	**86,04,06,508**	**5,14,47,086**	**407,59,78,775**	**86,05,10,025**	**25,88,54,463**	**5,04,82,298**	**106,88,82,190**	**300,70,96,585**
	(277,23,85,577)	**(62,17,83,499)**	**(12,71,49,723)**	**(326,70,19,353)**	**(74,79,47,847)**	**(23,66,28,859)**	**(12,40,66,681)**	**(86,05,10,025)**	**(240,65,09,328)**
1(b). Intangible Assets									
Development of Mines	2,88,33,293	–	–	2,88,33,293	2,22,35,457	44,47,091	–	2,66,82,548	21,50,745
	(2,88,33,293)	–	–	(2,88,33,293)	(1,77,88,365)	(44,47,092)	–	(2,22,35,457)	(65,97,836)
Software	5,77,52,382	84,97,800	-	6,62,50,182	2,99,70,705	66,20,189	–	3,65,90,894	2,96,59,288
	(4,31,23,731)	(1,46,28,651)	–	(5,77,52,382)	(2,14,87,842)	(84,82,863)	–	(2,99,70,705)	(2,77,81,677)
Total Intangible Assets	**8,65,85,675**	**84,97,800**	**-**	**9,50,83,475**	**5,22,06,162**	**1,10,67,280**	–	**6,32,73,442**	**3,18,10,033**
	(7,19,57,024)	(1,46,28,651)	–	(8,65,85,675)	(3,92,76,207)	(1,29,29,955)	–	(5,22,06,162)	(3,43,79,513)
Total (a+b)	**335,36,05,028**	**86,89,04,308**	**5,14,47,086**	**417,10,62,250**	**91,27,16,187**	**26,99,21,743**	**5,04,82,298**	**113,21,55,632**	**303,89,06,618**
As at 31 March 2020	(284,43,42,601)	(63,64,12,150)	(12,71,49,723)	(335,36,05,028)	(78,72,24,054)	(24,95,58,814)	(12,40,66,681)	(91,27,16,187)	(244,08,88,841)
1(c). Capital work in progress									
Buildings, Plant and Machinery, etc.	69,35,32,740	124,70,35,640	86,89,04,308	107,16,64,072	–	–	–	–	107,16,64,072
	(19,14,80,946)	(113,84,63,944)	(63,64,12,150)	(69,35,32,740)	–	–	–	–	(69,35,32,740)
Total Assets									**411,05,70,690**
									(313,44,21,581)

Note : (i) Figures in brackets relate to the previous year.

(ii) Development of mines represent expenditure incurred in relation to restoration obligations as per applicable regulations and the same has been amortised over the period of lease.

(iii) No indicator of impairment were identified during the current year, hence Property, Plant and Equipment including Capital Work in Progress were not tested for impairment.

(iv) Property, Plant and Equipment including Capital Work in Progress have been hypothecated as security against certain bank borrowings (Refer Note 12)

(v) Rs.5,16,98,866 (Previous year -Rs.2,41,75,505) of borrowing costs has been capitalised during the year on qualifying assets under additions to Capital Work in Progress using a capitalisation rate of 7.40% (previous year -8.50%)

(vi) Additions to Capital Work in Progress includes finished goods issued for capital projects amounting to Rs. 2,80,80,836 (Previous year -Rs.4,08,57,115)

(vii) Buildings and Roads, closing gross block Rs. 35,49,60,416 (Previous year - Rs. 17,95,61,240) and net carrying value Rs. 33,93,55,000 (Previous year - Rs. 16,84,69,320) include buildings leased out to employees for residential purposes.

(viii) Incentives amounting to Rs.11,92,53,864 (Previous year - Rs. 1,53,67,107) on account of Export Promotion Capital Goods scheme is adjusted in additions to Capital Work in Progress.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

	No. of equity shares	As at 31 March, 2021 ₹	As at 31 March, 2020 ₹
NOTE 02 : Investment in Associates			
Non-Current			
Investments in Associate Companies carried at Cost			
Investment in Equity Instrument (Unquoted)			
a) TRL Krosaki Asia Pte Limited (Face value of SG$ 1 each, fully paid-up)	48,07,584	13,82,61,575	13,82,61,575
b) Almora Magnesite Limited (Face value of ₹ 100 each, fully paid-up)	77,990	77,99,000	77,99,000
Total investments in Associates		**14,60,60,575**	**14,60,60,575**
Aggregate carrying value of unquoted investments		14,60,60,575	14,60,60,575
NOTE 03 : Investments			
Non-Current			
a) **Investment designated at fair value through Other Comprehensive Income**			
Investment in Equity Instrument (Quoted)			
HDFC Bank Limited (Fair Value) (Face Value of ₹ 1 each fully paid up)	10,000	1,49,36,500	86,19,000
b) **Investment in Equity Instrument (Unquoted)**			
Tata Construction and Projects Limited* (Face Value of ₹ 10 each fully paid up)	1,44,202	18,42,020	18,42,020
Less : Impairment in value of investment		(18,42,020)	(18,42,020)
*Company is in liquidation.			
Total Investments		**1,49,36,500**	**86,19,000**
Aggregate carrying value and market value of quoted investments are as below:			
Carrying value		1,49,36,500	86,19,000
Market Value		1,49,36,500	86,19,000
Aggregate amount of impairment in value of investment		18,42,020	18,42,020

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

04 Loans	As at 31 March 2021 ₹			As at 31 March 2020 ₹		
Unsecured, considered good	Non-current	Current	Total	Non-current	Current	Total
(a) Security deposits	4,45,14,859	1,69,88,353	6,15,03,212	4,48,28,755	2,08,71,191	6,56,99,946
(b) Loans to employees	76,09,316	71,40,665	1,47,49,981	1,44,47,051	89,02,434	2,33,49,485
Total Loans	**5,21,24,175**	**2,41,29,018**	**7,62,53,193**	**5,92,75,806**	**2,97,73,625**	**8,90,49,431**

05 Other financial assets	As at 31 March 2021 ₹			As at 31 March 2020 ₹		
Unsecured, considered good	Non current	Current	Total	Non current	Current	Total
(a) Interest accrued on deposits	–	20,27,414	20,27,414	23,92,625	27,49,667	51,42,292
(b) Earmarked balance with bank	–	–	–	3,22,61,298	–	3,22,61,298
Total Other financial assets	**–**	**20,27,414**	**20,27,414**	**3,46,53,923**	**27,49,667**	**3,74,03,590**

Earmarked balance with bank represent deposits not due for realisation within 12 months from the balance sheet date. These are primarily placed as margin money against issue of bank guarantees.

06 Other assets	As at 31 March 2021 ₹			As at 31 March 2020 ₹		
Unsecured, considered good unless otherwise stated	Non current	Current	Total	Non current	Current	Total
(a) Capital advances	4,33,44,640	–	4,33,44,640	10,54,04,575	–	10,54,04,575
(b) Advance with public bodies *	20,98,42,502	22,39,27,934	43,37,70,436	18,60,48,112	37,74,00,835	56,34,48,947
(c) Other advances (Unsecured, considered good)**	48,41,559	8,96,52,227	9,44,93,786	65,07,188	11,95,75,391	12,60,82,579
(d) Other advances (Unsecured, considered doubtful)	1,03,10,919	–	1,03,10,919	1,03,13,821	–	1,03,13,821
Other assets	**26,83,39,620**	**31,35,80,161**	**58,19,19,781**	**30,82,73,696**	**49,69,76,226**	**80,52,49,922**
Less: Allowances for doubtful advances	1,03,10,919	–	1,03,10,919	1,03,13,821	–	1,03,13,821
Total Other assets	**25,80,28,701**	**31,35,80,161**	**57,16,08,862**	**29,79,59,875**	**49,69,76,226**	**79,49,36,101**

* Advance with public bodies primarily relate to Goods and Services Tax (GST) input credit, duty credit entitlements and amounts paid under protest in respect of demands from regulatory authorities.

** Other advances include advances against supply of goods and services and advances paid to employees.

07 Inventories	As at 31 March 2021 ₹	As at 31 March 2020 ₹
(a) Raw materials	218,91,82,844	162,72,21,090
(b) Work-in-progress	22,25,18,116	21,85,48,381
(c) Finished goods	73,86,34,878	94,26,03,505
(d) Stock-in-trade	15,84,63,216	11,63,80,899
(e) Stores and spares	17,99,29,970	17,01,70,263
(f) Loose tools	45,15,797	43,05,075
(g) Fuel	7,27,83,031	6,09,33,224
Total Inventories	**356,60,27,852**	**314,01,62,437**

The value of inventories stated above is after adjustment of Rs. 1,37,79,443 (Previous year - Rs . 1,62,72,698) for write-downs to net realisable value and provision for slow moving and obsolete item is Rs. 50,78,852 (Previous year - Rs. 58,57,547).

Finish goods above Includes goods in transit of Rs. 8,88,31,627 (Previous year - Rs. 3,27,23,293).

The inventories have been hypothecated as security against certain bank borrowings (Refer Note-12).

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

08 Trade receivables	As at 31 March 2021 ₹	As at 31 March 2020 ₹
(a) Unsecured, considered good	252,08,77,052	290,20,60,502
(b) Credit Impaired	43,22,265	1,00,90,265
	252,51,99,317	**291,21,50,767**
Less: Allowance for credit losses	15,36,93,680	16,99,68,529
Total Trade receivables	**237,15,05,637**	**274,21,82,238**

There are no receivables which have significant increase in credit risk.
The Company's exposure to customers contributing more than 10% of the outstanding receivables as at March 31, 2021 is Rs. 84,73,37,367 (Previous year - Rs.100,89,99,537)
The trade receivables from related parties amounting to Rs. 25,84,66,176 (Previous year - Rs. 25,27,93,002) are included in trade receivables. [Refer Note 38 (b)]
There are no outstanding debts due from directors or other officers of the Company.
Trade receivables have been hypothecated as security against certain bank borrowings (Refer Note-12)

The details of movement in allowances for credit losses are as below:

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Balance at the beginning of the year	16,99,68,529	17,08,71,881
Additions during the year	–	2,05,06,040
Amount utilised during the year	(1,62,74,849)	(2,14,09,392)
Balance at the end of the year	**15,36,93,680**	**16,99,68,529**

09 Cash and Cash Equivalents	As at 31 March 2021 ₹	As at 31 March 2020 ₹
(a) Cash on hand	2,08,077	2,19,761
(b) Cheques on hand	–	7,794
(c) Balances with banks	1,29,14,742	75,08,595
Total Cash and cash equivalents	**1,31,22,819**	**77,36,150**

10 Other balances with bank	As at 31 March 2021 ₹	As at 31 March 2020 ₹
(a) Fixed deposits held as margin money *	–	18,31,587
(b) Unclaimed dividend**	10,694	24,566
Total Other balances with bank	**10,694**	**18,56,153**

* Fixed deposits held as margin money against issue of bank guarantees.
** Not available for use of the Company.

11 Equity Share Capital	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Authorised :		
2,50,00,000 Equity Shares of ₹ 10 each (Previous year: 2,50,00,000 Equity Shares of ₹ 10 each)	25,00,00,000	25,00,00,000
	25,00,00,000	**25,00,00,000**
Issued, Subscribed and Fully Paid-up:		
2,09,00,000 Equity Shares of ₹ 10 each (Previous year: 2,09,00,000 Equity Shares of ₹ 10 each)	20,90,00,000	20,90,00,000
Total Equity Share Capital	**20,90,00,000**	**20,90,00,000**

a) Rights, preference and restrictions attached to equity shares

i) The Company has only one class of shares referred to as equity shares having par value of ₹ 10 each. Holder of equity shares is entitled to one vote per share.

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

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

11 Equity Share Capital (Cont...)

b) **Reconciliation of Share Capital**

	As at 31 March 2021 Number	As at 31 March 2020 Number	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Opening Balance	2,09,00,000	2,09,00,000	20,90,00,000	20,90,00,000
Closing Balance	**2,09,00,000**	**2,09,00,000**	**20,90,00,000**	**20,90,00,000**

c) **Shares held by holding company**

	As at 31 March 2021 Number	As at 31 March 2020 Number	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Krosaki Harima Corporation - Japan				
Opening Balance	1,62,22,864	1,62,22,864	16,22,28,640	16,22,28,640
Closing Balance	**1,62,22,864**	**1,62,22,864**	**16,22,28,640**	**16,22,28,640**

d) **Details of shareholders holding more than 5% shares in the Company is as below:**

Name of the Share holders	As at 31 March 2021		As at 31 March 2020	
	Number of Shares held	% of holding	Number of Shares held	% of holding
Krosaki Harima Corporation -Japan (Holding company)	1,62,22,864	77.62	1,62,22,864	77.62
Steel Authority of India Limited	22,03,150	10.54	22,03,150	10.54

e) **Other Equity**

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
1) Retained earnings		
Balance at the beginning of the year	246,12,04,403	178,20,26,966
Profit for the year	44,48,09,018	100,68,81,624
Dividend (Including dividend distribution tax)	(30,30,50,000)	(30,73,91,889)
Remeasurement loss on defined benefit plans	(3,18,83,563)	(2,03,12,298)
Balance at the end of the year	**257,10,79,858**	**246,12,04,403**

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
2) General Reserve		
Balance at the beginning of the year	142,33,53,424	142,33,53,424
Balance at the end of the year	**142,33,53,424**	**142,33,53,424**

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
3) Securities premium		
Balance at the beginning of the year	75,73,04,560	75,73,04,560
Balance at the end of the year	**75,73,04,560**	**75,73,04,560**

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
4) Investment revaluation reserve		
The details of movement in investment revaluation reserve are as below:		
Balance at the beginning of the year	86,09,000	1,15,84,500
Other comprehensive income/(loss) recognised during the year	63,17,500	(29,75,500)
Balance at the end of the year	**1,49,26,500**	**86,09,000**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

11 Equity Share Capital (Cont...)

5) Dividends

The following dividends were declared and paid by the Company during the year

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Rs. 14.50 per equity shares (Previous year - Rs. 12.20 per share)	30,30,50,000	25,49,80,000
Dividend distribution tax (DDT) on dividend to equity shareholders	—	5,24,11,889
	30,30,50,000	**30,73,91,889**

After the reporting dates the following dividends (excluding dividend distribution tax) were proposed by the board of directors subject to the approval by the shareholders at the annual general meeting.

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Rs. 6.40 per equity shares (Previous year: Rs 14.50)	13,37,60,000	30,30,50,000

6) Remeasurement on defined benefit plans

Remeasurement gain/ (loss) on defined benefit plans includes actuarial gain / (loss) arising on defined benefit plans of Company (net of taxes).

12 Borrowings

₹

	As at 31 March 2021				As at 31 March 2020			
	Non-Current	Current maturities of Long-term	Current	Total	Non-Current	Current maturities of Long-term	Current	Total
A. Secured Borrowings								
(a) Term Loan*								
From Bank	101,42,76,750	33,80,92,250	—	135,23,69,000	87,17,20,000	—	—	87,17,20,000
(b) Loan from Banks**								
(i) Working Capital Demand Loans (repayable on demand)	—	—	24,00,00,000	24,00,00,000	—	—	18,00,00,000	18,00,00,000
(ii) Cash Credit (repayable on demand)	—	—	11,95,81,960	11,95,81,960	—	—	14,43,38,227	14,43,38,227
(iii) Packing Credits	—	—	28,05,09,445	28,05,09,445	—	—	54,65,34,504	54,65,34,504
Total Secured Borrowings	**101,42,76,750**	**33,80,92,250**	**64,00,91,405**	**199,24,60,405**	**87,17,20,000**	**—**	**87,08,72,731**	**174,25,92,731**
B. Unsecured Borrowings								
(a) Loan from banks								
(i) Working Capital Demand Loans (repayable on demand)	—	—	10,00,00,000	10,00,00,000	—	—	40,00,00,000	40,00,00,000
(ii) Packing Credits	—	—	—	—	—	—	91,01,042	91,01,042
(b) Loan from Related Party	—	—	—	—	—	—	17,99,86,223	17,99,86,223
Total Unsecured Borrowings	**—**	**—**	**10,00,00,000**	**10,00,00,000**	**—**	**—**	**58,90,87,265**	**58,90,87,265**
Total Borrowings	**101,42,76,750**	**33,80,92,250**	**74,00,91,405**	**209,24,60,405**	**87,17,20,000**	**—**	**145,99,59,996**	**233,16,79,996**

*** Term Loan from State Bank of India - SME Branch, Rourkela**

Secured by first charge over the proposed fixed assets of the Company for which term loan is taken and first pari-passu charge on existing fixed assets including factory land and building.

Term loan is repayable in 16 quarterly installments, starting from June 2021 and last installment in March 2025. Interest is paid as and when due for payment.

**** Current Borrowings**

Secured by hypothecation of stock of raw materials, stores and consumables, stock-in-process, finished goods, receivables and other current assets, both present and future, by way of pari-passu first charge and second charge over property, plant and equipment.

Packing credits are repayable within maximum tenure of 180 days.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

13. Trade Payables	**As at 31 March 2021** ₹	**As at 31 March 2020** ₹
(a) **Total outstanding dues of micro enterprises and small enterprises**		
Creditors for supplies of micro and small enterprises	2,62,48,180	2,78,13,667

The amounts due to Micro and Small Enterprises, as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)", have been determined to the extent that such parties have been identified on the basis of information available with the Company. The details are tabulated below:

1. The principal amount remaining unpaid to supplier as at the end of the year	–	–
2. The interest due thereon remaining unpaid to suppliers as at the end of the year	–	–
3. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	–	–
4. The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	–	–
5. The amount of interest accrued and remaining unpaid at the end of each accounting year	–	–
6. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	–	–
(b) **Total outstanding dues of creditors other than micro enterprises and small enterprises**		
(i) Creditors for supplies / services other than micro and small enterprises	246,92,59,934	190,17,16,100
(ii) Creditors for accrued wages and salaries	14,12,39,024	8,81,37,955
(iii) Acceptances	24,49,20,224	13,28,06,281
Total dues of creditors other than micro enterprises and small enterprises	**285,54,19,182**	**212,26,60,336**

14. Other financial liabilities	**As at 31 March 2021** ₹	**As at 31 March 2020** ₹
(a) Current maturities of long-term debt	33,80,92,250	–
(b) Interest accrued and due on borrowings	–	72,71,116
(c) Interest accrued but not due on borrowings	91,74,431	9,42,591
(d) Unpaid dividends	10,694	24,566
(e) Derivative liabilities	17,47,778	35,23,863
(f) Creditors for capital goods	21,95,39,086	7,63,47,766
Total Other financial liabilities	**56,85,64,239**	**8,81,09,902**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

15. Provisions

	As at 31 March 2021			As at 31 March 2020		
	Non current	Current	Total	Non current	Current	Total
	₹	₹	₹	₹	₹	₹
(a) Provision for employee benefits*	23,10,38,954	7,91,25,483	31,01,64,437	18,83,13,935	8,05,44,978	26,88,58,913
(b) Provision for retirement benefits [Refer Note 31(2)]	18,17,72,982	78,07,000	18,95,79,982	13,36,21,659	76,17,976	14,12,39,635
(c) Provision for employee separation compensation	2,99,625	5,07,473	8,07,098	7,87,682	8,06,325	15,94,007
(d) Other provisions**	63,22,699	–	63,22,699	63,22,699	–	63,22,699
Total Provisions	**41,94,34,260**	**8,74,39,956**	**50,68,74,216**	**32,90,45,975**	**8,89,69,279**	**41,80,15,254**

* Provision for employee benefits includes provision for compensated absence, bonus and employee incentives.
** Other provisions include provisions for Octroi, holding tax, license fees and water cess.

The details of movement in other provisions is as below:

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Balance at the beginning of the year	63,22,699	95,14,580
Add : Provision recognised during the year	–	31,91,850
Less : Amount utilised during the year	–	63,83,731
Balance at the end of the year	**63,22,699**	**63,22,699**

16. Other Liabilities

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
(a) Advances received from customers	3,60,61,742	8,25,10,876
(b) Advance against sale of land	2,74,18,392	4,75,00,000
(c) Employee recoveries and employer contributions	64,42,251	93,10,284
(d) Statutory dues *	3,47,97,733	18,12,49,336
Total Other liabilities	**10,47,20,118**	**32,05,70,496**

*Statutory dues primarily include payables in respect of Goods and Services Tax (GST) and tax deducted at source (TDS).

17. Revenue from Operations

	April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
(a) Sale of products	1279,00,53,784	1457,40,67,660
(b) Income from sale of services	131,48,43,138	173,24,85,719
(c) Other operating revenue*	13,43,80,342	22,26,07,135
Total Revenue from operations	**1423,92,77,264**	**1652,91,60,514**

* Includes export incentives of Rs.5,75,22,600 (Previous year Rs.10,90,43,182) on account of Duty Draw Back and Merchandise Export from India Scheme.

18. Other income

	April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
(a) Dividend income	2,06,51,141	1,00,000
(b) Net gain on sale of property, plant and equipment	30,17,410	15,40,789
(c) Interest income	3,43,79,888	68,11,998
Total Other income	**5,80,48,439**	**84,52,787**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

19. Exceptional item

	April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
Sale of assets held-for-sale	13,77,34,580	–
Less: Cost of assets held-for-sale	5,83,92,785	–
Less: Cost incurred for sale of assets held-for-sale	5,44,170	–
Total Exceptional Item	**7,87,97,625**	**–**

In the current year, the Company has sold land situated at Vizag and a profit of Rs. 7,87,97,625 arising from sale of such land has been shown as exceptional item.

20. Cost of materials consumed

Opening stock	162,72,21,090	219,55,23,852
Add: Purchases	673,89,57,092	659,99,97,540
	836,61,78,182	879,55,21,392
Less: Closing stock	218,91,82,844	162,72,21,090
Cost of materials consumed	**617,69,95,338**	**716,83,00,302**

21. Changes in inventories of finished goods, stock-in-trade and work-in-progress

Inventories at the end of the year		
Finished goods	73,86,34,878	94,26,03,505
Stock-in-trade	15,84,63,216	11,63,80,899
Work-in-progress	22,25,18,116	21,85,48,381
Total Inventories at the end of the year	**111,96,16,210**	**127,75,32,785**
Inventories at the beginning of the year		
Finished goods	94,26,03,505	76,76,72,374
Stock-in-trade	11,63,80,899	18,54,42,095
Work-in-progress	21,85,48,381	24,04,39,963
Total Inventories at the beginning of the year	**127,75,32,785**	**119,35,54,432**
Changes in stock of finished goods, stock-in-trade and work-in-progress	**(15,79,16,575)**	**8,39,78,353**
Add: Finished goods issued for capital projects reclassified to Capital work-in-progress	2,80,80,836	4,08,57,115
Total Changes in stock of finished goods, stock-in-trade and work-in-progress	**(12,98,35,739)**	**12,48,35,468**

22. Employee benefits expenses

(a) Salaries, wages and bonus	113,85,54,006	106,82,26,726
(b) Employee separation compensation	–	3,59,844
(c) Contribution to provident and other funds	11,54,23,232	11,25,61,210
(d) Staff welfare expenses	5,22,37,034	7,53,91,935
Total Employee benefits expense	**130,62,14,272**	**125,65,39,715**

23. Finance costs

(a) Interest expense		
(1) Interest on fixed loans	13,12,35,410	11,42,46,888
(2) Interest on other loans	2,85,54,262	5,91,19,679
(3) Interest on lease liabilities	1,38,52,087	1,39,13,938
(b) Other borrowing costs	22,17,500	24,16,583
Less: Interest capitalised	5,16,98,866	2,41,75,505
Total Finance costs	**12,41,60,393**	**16,55,21,583**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

24 Other Expenses

		April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
(a)	Stores and spares consumed	26,53,27,659	31,95,69,970
(b)	Repairs to buildings	24,16,59,370	22,57,09,879
(c)	Repairs to machinery	28,67,20,831	29,76,22,815
(d)	Contractors charges for refractories management	30,34,57,718	27,76,52,155
(e)	Fuel consumed	74,10,46,379	83,72,69,213
(f)	Purchase of power	23,10,70,783	23,46,38,780
(g)	Conversion and processing charges	19,78,91,550	23,17,31,893
(h)	Freight and handling charges	87,70,31,114	80,96,59,876
(i)	Rent	3,78,26,806	3,82,72,660
(j)	Royalty	6,41,29,414	9,19,00,692
(k)	Rates and taxes	1,65,97,342	1,83,09,941
(l)	Insurance charges	2,11,11,830	94,78,906
(m)	Commission expenses	8,05,62,971	12,08,69,635
(n)	Net loss on foreign currency transactions	69,77,165	5,95,10,511
(o)	Legal and other professional costs	14,57,37,044	15,09,95,603
(p)	Travelling expenses	3,95,75,681	16,16,27,530
(q)	Others (Refer note below)	12,03,54,881	14,38,46,294
Total Other expenses		**367,70,78,538**	**402,86,66,353**

Note:

Other includes:

(i)	Payment to Auditors :		
	a) Services as Auditors (including for audit in terms of Section 44AB of the Income Tax Act, 1961 ₹ 3,00,000 [(Previous Year ₹ 2,00,000)]	32,50,000	25,00,000
	b) Fees for other services	14,32,500	3,50,000
	c) Out-of pocket expenses	1,17,095	1,33,912
		47,99,595	**29,83,912**
(ii)	Cost audit fees [Including expenses ₹ 3,000 (Previous year: ₹ 12,773)]	1,28,000	1,22,773

(iii) Revenue expenditure charged to statement of profit and loss in respect of Corporate Social Responsibility (CSR) activities undertaken during the year is Rs. 2,24,36,814 (Rs. 1,62,72,244 has been paid in cash and Rs. 61,64,570 is yet to be paid has been transfered to a separate bank account) [Previous year: Rs.1,75,12,523 (fully paid)].

Amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities as per section 135 of the Companies Act, 2013 was Rs. 2,23,76,534 (Previous year: Rs. 1,71,00,099).

No capital expenditure on Corporate Social Responsibility (CSR) has been incurred during the year and in Previous year.

(iv) Property, plant and equipment amounting to Rs. Nil written off during the year (Previous year: Rs. 22,67,695).

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Note 25 ACCOUNTING POLICIES

1) Company Information

TRL Krosaki Refractories Limited ("the Company") is a public limited company incorporated in India with its registered office situated at Belpahar, Jharsuguda District, Odisha, India.

The Company is primarily engaged in the business of manufacturing of wide range of refractories like Basic, Dolomite, High Alumina, Monolithic, Silica, Flow Control and Tap Hole Clay and providing refractories engineering and management services.

The financial statements as at 31 March 2021 present the financial position of the Company.

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

As at 31 March 2021, Krosaki Harima Corporation owns 77.62% of the equity shares of the Company and has the ability to influence the Company's operations. Nippon Steel Corporation (Formerly known as Nippon Steel & Sumitomo Metal Corporation) is having significant influence over the Krosaki Harima Corporation.

2) Significant Accounting Policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

a) Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS ") as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, and other provisions of the Act , as amended from time to time.

The financial statements of the Company for the year ended 31 March 2021 were approved for issue in accordance with the resolution of the Board of Directors on 27th April,2021.

b) Basis of Preparation

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.

c) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgments, 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in the estimates are made as management becomes aware of such changes. The changes in estimates are recognised in the period in which the estimates are revised.

Significant judgements and estimates relate to the following-

i. carrying values of assets and liabilities include useful lives of tangible and intangible assets;

ii. provision for employee benefits and other provisions; and

iii. commitments and contingencies and measurement of fair values.

iv. valuation of deferred tax assets / liabilities

Estimation uncertainty relating to the global health pandemic on COVID-I9

In assessing the recoverability of receivables, assets, intangible assets, and certain investments, the Company has considered internal and external information upto the date of approval of these standalone financial statements. The Company has performed analysis and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The Company on the basis of its assessment believes that the probability of the occurrence of its forecasted transactions has not impacted significantly by COVID-19 pandemic. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Impact of the Code on Social Security, 2020

The Code on Social Security,2020 ('Code') relating to employee benefit during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13,2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the code becomes effective.

d) Property, plant and equipment

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the Statement of Profit and Loss, as incurred. When a replacement occurs, the carrying amount of the replaced part is de- recognised.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Property, plant and equipment are stated at cost/deemed cost, less accumulated depreciation and impairment, if any. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as a part of cost of qualifying asset. Deemed cost represents the carrying value of the property, plant and equipment recognized as at 1 April 2015 measured as per the previous GAAP.

The gain or loss arising on disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying value of such item and is recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital Work-in-Progress".

e) Intangible assets

Cost incurred for Development of mines and software are recognized in the Balance Sheet as intangible assets when it is probable that associated future economic benefits would flow to the company and its cost can be measured reliably. These are initially measured at purchase cost and then amortised on a straight line basis over their estimated useful lives. All other costs on development of mines and software are expensed in the Statement of Profit and Loss as and when incurred.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

f) Depreciation and amortisation of property, plant and equipment and intangible assets

Depreciation or amortisation is provided under the straight line method, based on the estimated useful life, as determined by technical evaluation of the useful life of the assets, in terms of Schedule II to the Companies Act, 2013.

Assets individually costing up to Rs.25,000 are fully depreciated or amortized in the year of acquisition.

Freehold Land is not depreciated.

The charge of depreciation or amortization commences from the date the assets are available for their intended use. Depreciation on assets under construction commences only when the assets are ready for their intended use. No further charge is provided in respect of assets that are fully written down but are still in use.

The estimated useful lives of assets and residual values are reviewed periodically and, adjusted if appropriate at the end of reporting period.

As the estimated useful life of some of the assets is significantly different from the useful life given in the Schedule II to Companies Act, 2013, the useful life of the assets has been assessed based on the number of years for which the assets have already been put to use and the estimated minimum balance period for which the assets can be used in the Company. The residual values are not more than 5% of the original cost of the asset.

The estimated useful lives for the main categories of property, plant and equipment and other intangible assets are:

Sl No	Class of Assets	Estimated Useful Life (in years)
I	**Buildings and Roads**	
	Roads	10
	Factory Buildings and Reservoir	30
	Other Buildings (RCC Structure)	60
II	**Plant and Machinery**	
	Grinder	8 to 15
	Mixture, Press Drying Chambers, Shuttle Kiln	10 to 15*
	Gas Producer, Kiln and Shaft Kiln	25*
	Kiln Car	10*
	Workshop Equipment	10 to 15*
	Research and development equipment	10*
	Gunning Machine, Mixture Machine and other equipment used at Customer site.	5 to 8*
	Other Equipment	5 to 15*
III	**Railway Siding**	15
IV	**Furniture and Fixture and Office Equipment**	
	Furniture fittings, office equipment, computer, cinema and audio visual equipment	5*
	Hospital canteen equipment, electric fittings	10*
V	**Vehicles**	
	Motor car, Jeep, motor cycle	5*
	Motor Lorry and mobile equipment	8
VI	**Intangible Assets**	
	Software	10*
	Development of mines	10 years or lease period whichever is less

*For these class of assets, based on internal assessment and technical evaluation carried out by the technical expert, the Company believes that the useful lives as given above best represents the period over which the Company expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under part C of Schedule II of the Companies Act,2013.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

g) Impairment

At each Balance Sheet date, the Company reviews the carrying value of its property, plant and equipment and intangible asset 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 of an asset (or a cash generating unit) is the higher of fair value less costs to sell and its 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 recognized in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

An impairment loss recognized in prior accounting periods is reviewed at each Balance Sheet date to assess whether there is any indication that the impairment loss recognized may no longer exist or may be decreased.

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) Leases

The Company as lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease ,the Company recognizes a right-of-use asset (ROU) and a corresponding equal lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the weighted average incremental borrowing rate of the company. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

i) Investment in associates

Investments in associates are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required, immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

j) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

I. Financial assets

Cash and bank balances

Cash and bank balances consist of:

Cash and cash equivalents - which includes cash in hand, cheques in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than 3 months from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

Other balances with bank- which includes balances and deposits with banks having maturity of more than three months but less than 12 months and are restricted for withdrawal and usage.

Financial assets at amortised cost

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

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if both of the following conditions are met:

These financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through profit or loss.

The Company in respect of certain equity instruments which are not held for trading, has made an irrevocable election to present subsequent changes in the fair value of such equity instruments in other comprehensive income.

Impairment of financial assets

The Company recognises lifetime expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets (apart from trade receivables that do not constitute of financing transaction) whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised.

Loss allowance for financial asset measured at amortised cost is deducted from gross carrying amount of asset.

De-recognition of financial assets

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

ii. Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

A financial liability is classified at fair value through profit and loss account, if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

Borrowings are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Company's accounting policy for borrowing costs.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Offsetting

Financial assets and financial liabilities are off set 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 release the asset and settle the liability simultaneously.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Derivative financial instruments and hedge accounting

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange. The instruments are confined principally to forward foreign exchange contracts.

Derivatives are initially accounted for and measured at fair value on the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

The fair values for forward currency contracts are marked to market at the end of each reporting period. The Company adopts hedge accounting for forward foreign exchange contracts wherever possible. At the inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item or transaction and the nature of the risk being hedged. At inception, each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the statement of profit and loss.

When hedge accounting is applied, the Company treats the hedge relationship in relation to foreign currency exposure as fair value hedges of recognised assets and liabilities. Changes in fair value of the hedged assets and liabilities, attributable to the risk being hedged, are recognised in the statement of profit and loss and compensate for the effective portion of the symmetrical changes in the fair value of the derivatives.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the Statement of Profit and Loss for the period.

k) Employee benefits

The Company's retirement benefit obligation are subject to a number of judgement including discount rates, inflation and salary growth. Significant judgement is required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Company's Balance Sheet and the statement of profit and loss. The Company sets these judgement based on previous experience and third party actuarial advice.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably.

Defined contribution plans

Payments to defined contribution plans such as Company's Provident Fund, Supper Annuation Fund, Employee Pension Scheme, Employee State Insurance Scheme and Her Majesty's Revenue and Customs, UK (HMRC) are charged as an expense as they fall due. Payments made to above schemes are dealt with as payments to defined contribution schemes, as the Company has no further defined benefit obligation beyond the monthly contribution except for the contribution to Provident Fund Trust which require that if the Board of the Trustee are unable to pay interest at the rate declared by the Government for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company, making the interest shortfall a defined benefit obligation.

Defined benefit plans

Post Retirement Gratuity

For post-retirement gratuity schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each year-end Balance Sheet date. Re-measurement gains and losses of the net defined benefit liability / (asset) are recognised immediately in Other Comprehensive Income. The service cost and net interest on the net defined benefit liability / (asset) is recognised as an expense within employment costs.

Past service cost is recognised as an expense, when the plan amendment or curtailment occurs, or when any related restructuring cost 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 of plan assets.

Post-Retirement Medical Benefit

The company has a policy to give medical benefit to the retired employees at its own hospital at Belpahar not exceeding the amount of expense defined in its medical policy. The obligation of this service is measured and recognized based on actuarial valuation at the

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

present value of the obligation as on the reporting date. Re-measurement gains and losses of the net defined benefit liability / (asset) are recognised immediately in Other Comprehensive Income. The service cost and net interest on the net defined benefit liability / (asset) is recognised as an expense within employment costs.

Pension to Directors

Pension payable to directors after their retirement as per the contractual agreement are recognized based on actuarial valuation at the present value of the obligation as on the reporting date. Re-measurement gains and losses of the net defined benefit liability / (asset) are recognised immediately in Other Comprehensive Income. The service cost and net interest on the net defined benefit liability / (asset) is recognised as an expense within employment costs.

Other Long-term benefits

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized based on actuarial valuation at the present value of the obligation as on the reporting date. Re-measurement gains and losses of the compensated absence is recognised immediately in Statement of Profit and Loss.

Employee Separation Scheme

Compensation to employees who have opted for retirement under the Friendly Departure Scheme of the Company is charged off in the year in which the employee is relieved from the services of the Company.

l) Inventories

I. **Raw materials, Stores and Spares, Loose Tools and Fuel**

Raw materials, stores and spares, loose tools and fuel are valued at weighted average cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Raw materials, stores and spares, loose tools and fuel held for use in the production of finished products are not written down below cost except in cases where material prices have declined or the cost of the finished products has exceeded its net realisable value.

ii. **Finished goods**

These are valued at lower of cost and net realisable value. Costs are calculated at full absorption cost basis which includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost of inventories is generally ascertained on weighted average basis.

iii. **Work in Progress**

These are valued at cost. Costs are calculated at full absorption cost basis which includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost of work in progress is generally ascertained on weighted average basis.

iv. **Stock-in-trade**

These are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs to completion and the estimated costs necessary to sell them.

Provisions are made for slow moving and obsolete items based on historical experience of utilization on a product category basis and ageing policy as defined by the Company.

m) Cash Flow Statement

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

n) Non-Current assets held for sale

Non-current assets or disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value.

The Company must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale are not depreciated or amortised.

o) Provisions (other than employee benefits) and contingent liabilities

Provisions are recognised in the Balance Sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

Constructive obligation is an obligation that derives from an entity's actions where:

i. by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities; and

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

ii. as a result, the entity has created a valid expectation on the part of those other parties that it will discharge such responsibilities.

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle an obligation or a reliable estimate of the amount cannot be made.

The Company does not recognise a Contingent Liability but discloses its existence in the Financial Statements.

p) Income taxes

Income tax comprises current and deferred tax. The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

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

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

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance Sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of 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 recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the Statement of Profit and Loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

q) Revenue recognition

Effective 01 April 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers". The core principle of the new standard was that the revenue should be recognised when (or as) an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled.

The company derives revenue primarily from sale of refractories and installation & maintenance services. Revenue is recognised when the customer obtains the control of the goods & services as per the terms & condition of the contracts. Company determines at contract inception whether each performance obligation will be satisfied (i.e. Control will be transferred) over time or at a point in time.

- Revenue from material supply is recognised on transfer of control over the product.
- Revenues from service contracts is recognised on completion of performance obligation.

Interest Income

Interest income is accrued on a time proportion basis by reference to the principle outstanding and the effective interest rate applicable.

Dividend Income

Dividend income from investments is recognised when the right to receive payment has been established.

Rental Income

Rental income is recognised on a straight line basis over the term of the relevant arrangements.

Commission Income

Commission income is recognised when the services have been rendered.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Export incentives

Export incentives under the Duty Drawback Scheme are recognized on the basis of credits given in the bank or on receipt of duty credit scrips.

r) Government Grants

Government grants like export promotion capital goods (EPCG) related to expenditure on property, plant and equipment are deducted from the cost of the property, plant and equipment in calculating the carrying amount of the asset.

s) Foreign currency transactions and translation

The financial statements of the Company are presented in Indian Rupees (Rs), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the statement of profit and loss for the period.

Exchange differences arising on translation or settlement of long-term foreign currency monetary items is accounted in the statement of profit and loss for the period.

t) Borrowing Costs

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

u) Earnings per share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

26 Contingent Liabilities

Contingent liabilities in respect of –	As at 31 March 2021	As at 31 March 2020
Claims against the Company not acknowledged as debts in respect of –		
– Income tax matters	71,35,757	20,59,59,575
– Sales tax / value added tax / entry tax matters	9,11,91,837	10,26,09,485
– Excise duty and service tax matters	9,43,62,291	4,70,65,166
– Other matters (Refer Below)	10,81,23,251	5,73,78,893

In respect of above, it is not practicable for the Company to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings.

In the ordinary course of business, the Company faces claims and assertions by various parties. The following is a description of claims and assertions where a potential loss is possible but not probable. There are claims which the Company does not believe to be of material nature, other than those described below:

Income Tax:

The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. These are mainly for transfer pricing issues and disallowance of expenses claimed by the Company as deductions. Most of these disputes and/or dis-allowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years. As at March 31, 2021, there are matters and/or disputes pending in appeal amounting to Rs. 71,35,757 (Previous Year - Rs. 20,59,59,575).

Sales tax /value added tax/ entry tax/ Excise duty matters

The Company has demands that are being contested by the Company in different years amounting to Rs. 18,55,54,128 (Previous Year - Rs. 14,96,74,651). These are mainly for non submission of concessional forms.

Demand by Mining Officer:

The Dy. Director Mines, Sambalpur circle, had raised a demand of Rs.5.39 Cr on 26.08.2019 for excess production of Quartzite in Chuinpalli mines and the Mining Officer, Cuttack circle has raised a demand for Rs.5.17 Cr on 15.09.2020 for excess production of fireclay in Talbasta mines, during the period from 2000 to 2010 under section 21(5) of MMDR Act, 1957, based on the common cause judgment dated 2nd August, 2017 of Hon'ble Supreme Court of India. The Company challenged the said demands of Mining Department, Govt. of Odisha through a two different Writ petitions against two notices before the Hon'ble High Court of Orissa, Cuttack. The Company is of the view that, the demand under Section 21(5) of the MMDR Act is not applicable because the impugned demand is based on the judgement of Hon'ble Supreme Court of India in the case of Common Cause vrs. Union of India reported in (2017) 9 SCC 499. The decision referred in the Supreme Court Order was intended to deal with mining leases of Iron Ore and Manganese Ore in the districts of Keonjhar, Sundergarh and Mayurbhanj and has no application to the facts of the case. Moreover, the mining officer has not conducted any enquiry on illegal mining of the Company. Based on the legal opinion obtained by the Company and as per the management assessment, the Company is of the view that it has a strong case to contest on merit and there will not be any outflow of resources by the Company. During the year the Hon'ble High Court of Odisha has disposed of the Writ Petition filed for Talbasta Mines for an amount of Rs.5.17 Cr with a direction to challenge the impugned demand notice as per Rule 46(1) of the Orissa Minor Mineral Concession Rules, 2016 and take all grounds before the appellate authority. Accordingly, Company has filed an appeal before Joint Director of Mines, Government of Odisha, Bhubaneswar under Rule 46(1) of Odisha Minor Mineral Concession Rules, 2016 and the matter is pending for hearing.

Other Claims

Other civil cases for which the Company may contingently be liable aggregate to Rs. 24,07,203 (Previous Year - Rs. 34,07,203).

27 Water Rate Dispute

The Company has been drawing water from Lilhari Nullha, a natural water stream. Up to 1994, as per the Orissa Irrigation Act, the water rate was payable for drawing water from irrigation work. Natural water streams like Lilhari Nullha were not covered in the definition of irrigation work, as given in Section 4(9) of the Act. Definition of 'government water source' was inserted in Section 4(6-a) of the Act in 1994, which covers natural water sources like Lilhari Nullha, and the Company has been paying water rate since then. However, the Government of Odisha demanded an amount of Rs. 57,77,600 towards water rate and penalty for the period prior to 1994 which has been stayed by the Hon'ble High Court of Odisha. Water Resources Department, Government of Odisha, has been charging monthly compounded interest @ 2% on the disputed amount and the total interest charged up to 31 March 2021 is Rs. 83,54,58,788. The total disputed demand, together with interest as on 31 March 2021 is Rs. 84,12,36,388. Hon'ble High Court of Odisha has stayed charging of monthly compound interest of 2% and passed an order that compound interest @ 2% will not be allowed to charge until further orders. During the previous year, the Hon'ble High Court of Odisha has directed the Government of Odisha and the Company to negotiate and settle the dispute inline with the settlements made by the Government of Odisha with other companies. Based on the legal opinion obtained by the Company and as per the management assessment, the Company is of the view that it has a strong case to contest on merit and there will not be any material outflow of resources by the Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

28 Commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for, net of advances paid Rs.38,43,75,737 (Previous Year - Rs. 95,37,77,114). Estimated amount of export obligations to be fulfilled in respect of assets imported under Export Promotion Capital Goods Scheme (EPCG) – Rs. 70,82,64,570 (Previous year-Rs. 9,22,02,642).

29 Company as a Lessee

Following are the changes in the carrying value of right-of- use assets for the year ended March 31, 2021.

		Buildings
Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Opening gross block	20,32,04,645	–
Reclassification ed on account of adoption of Ind AS 116 as at 1 April 2020	–	20,05,47,424
Additions	3,14,71,464	26,57,221
Deletion	1,41,56,842	–
Closing gross block at the end of the year	**22,05,19,267**	**20,32,04,645**
Opening accumulated depreciation	1,87,11,055	–
Additions	1,94,27,679	1,87,11,055
Deletion	35,46,330	–
Closing accumulated depreciation at the end of the year	**3,45,92,404**	**1,87,11,055**
Closing balance as of March 31,2021	**18,59,26,863**	**18,44,93,590**

The aggregate depreciation expense on right-of-use assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2021

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Current lease liabilities	1,20,66,541	99,51,139
Non-current lease liabilities	19,41,16,397	18,54,54,065
Total	**20,61,82,938**	**19,54,05,204**

The following is the movement in lease liabilities during the year ended March 31, 2021.

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Balance at the beginning of the year	19,54,05,204	–
Reclassified on account of adoption of Ind AS 116 as at April 1, 2020	–	20,05,47,424
Additions	3,14,71,464	26,57,221
Finance cost accrued during the year	1,38,52,087	1,39,13,938
Deletion	1,11,34,838	–
Payment of lease liabilities	2,34,10,979	2,17,13,379
Balance at the end of the year	**20,61,82,938**	**19,54,05,204**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Less than one year	2,58,68,121	2,35,02,793
One to five years	12,81,90,011	9,83,28,039
More than five years	15,49,82,179	18,64,68,628
Total	**30,90,40,311**	**30,82,99,460**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Company incurred Rs. 3,78,26,806 (previous year Rs. 3,82,72,660) towards expenses relating to short term leases and leases of low value assets.

The total cash outflow for leases is Rs. 6,12,37,785 (previous year Rs. 5,99,86,309) including cash outflow for short term and leases of low value assets.

Company as a Lessor

Company has leased out buildings to its employees and has also provided leased accommodation to its employees for residential purposes. There is no such long term contracts with employees for the above leasing. The total rental income with respect to above leasing activities amounts to Rs. 1,82,42,871 (previous year Rs.1,78,68,317) included in note 17(c).

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

30 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

31 Employee Benefits

The relevant details with respect to employee benefits are given here below:

(1) Defined Contribution Plan

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognized in relation to the schemes represents the value of contributions payable during the period by Company at rates specified by the rules of those plans.

a) Provident Fund and Employees Pension Fund

In accordance with the prevailing Indian law, eligible employees of the Company are entitled to receive benefits in respect of Provident Fund, a defined contribution plan, in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.As per the provisions of the Provident Fund and Miscellaneous Provisions Act, 1952 contribution to Provident Fund is made to an irrevocable trust set up by the Company and contribution to pension fund is deposited with the Regional Provident Fund Commissioner. The rules of the Company's provident fund administered by a trust, require that if the Board of the Trustee are unable to pay interest at the rate declared by the Government for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company, making the interest shortfall a defined benefit obligation.

b) Superannuation Fund

The Company has a superannuation plan. Employees who are members of the superannuation plan are entitled to benefits depending on the contribution made by Company and rate of interest declared by the superannuation trust. A separate irrevocable trust is maintained for employees covered and entitled for this benefit. The Company contributes 15% of basic salary, of the eligible employees' to the trust every year. Such contributions are recognized as an expense when incurred. The Company has no further obligation beyond this contribution.

c) Other funds

The Company contributes to the Employees State Insurance scheme as per the provisions of Employees State Insurance Act, 1948 and to Her Majesty's Revenue and Customs, UK as per provisions laid down by the UK Government for the social security and welfare of the employees.

d) Expenses recognized in respect of above

The Company has recognized, in the Statement of Profit and Loss account for the year ended 31 March 2021, an amount of Rs. 8,97,81,612 (Previous Year: Rs. 9,05,82,210) being expenses under the defined contribution plans like Provident Fund, Superannuation fund, Employee pension scheme, Employee State Insurance Scheme and Her Majesty's Revenue and Customs (UK).

(2) Defined Benefit Plans

The Company operates post retirement defined benefit plans as follows:

a) Funded

(i) Post Retirement Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides lump-sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

b) Unfunded:

(i) Post Retirement Medical Benefits

The Company has a Post-Retirement Medical Benefit Scheme (PRMB), under which the retired employees and their spouses are eligible for free medical benefits in the Company's hospital during their lifetime upto a ceiling fixed by the Company. The liability for the same is recognized annually on the basis of actuarial valuation.

(ii) Pension to Directors

The Company has Ex-MD Pension Scheme, under which the retired managing director gets a monthly pension. The liability for the same is recognized annually on the basis of actuarial valuation. The Company is exposed to the increase in the pension amount in each 3 years.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

c) i) **Details of the Post Retirement Gratuity plan are as follows:**

		April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
I.	**Change in present value of defined benefit obligation during the year**		
1.	Present Value of defined benefit obligation as at the beginning of the year	33,43,03,407	30,45,52,567
2.	Current Service Cost	2,24,57,170	1,92,64,680
3.	Interest Cost on the defined benefit obligation	2,13,52,840	2,06,15,020
4.	Actuarial (gains)/ losses - Experience	1,52,84,110	(11,82,230)
5.	Actuarial losses - Financial Assumptions	2,35,86,690	1,64,69,260
6.	Benefits paid from plan assets	(3,28,97,622)	(2,54,15,890)
7.	Closing Present Value of defined benefit obligation	**38,40,86,595**	**33,43,03,407**
II.	**Change in fair value of plan assets during the year**		
1.	Fair Value of assets at the beginning of the year	31,24,01,294	27,67,78,084
2.	Interest Income on Plan Assets	2,10,29,210	2,10,39,100
3.	Employer contributions	2,00,00,000	4,00,00,000
4.	Return on plan assets greater than discount rate	(67,370)	-
5.	Benefits paid	(3,28,97,622)	(2,54,15,890)
6.	Fair Value of Plan assets at the end of current year	**32,04,65,512**	**31,24,01,294**
III.	**Net liability recognized in the balance sheet**		
1.	Fair value of plan assets	32,04,65,512	31,24,01,294
2.	Present value of obligation	38,40,86,595	33,43,03,407
3.	Amount recognized in the balance sheet	**6,36,21,083**	**2,19,02,113**
IV.	**Expense recognized in the statement of profit and loss for the year**		
1.	Current service cost	2,24,57,170	1,92,64,680
2.	Net interest on net defined benefit liability	3,23,630	(4,24,080)
3.	Total expenses included in employee benefits expense	**2,27,80,800**	**1,88,40,600**
V.	**Recognized in other comprehensive income for the year**		
1.	Actuarial (gains)/ losses due to defined benefit obligation experience	1,52,84,110	(11,82,230)
2.	Actuarial loss due to defined benefit obligation financial assumption changes	2,35,86,690	1,64,69,260
3.	Return on plan assets greater than discount rate	67,370	–
4.	Actuarial loss recognized in other comprehensive income	**3,89,38,170**	**1,52,87,030**
VI.	**Maturity profile of defined benefit obligation**		
1.	Within the next 12 months (next annual reporting period)	3,41,70,720	3,44,08,170
2.	Between 2 and 5 years	16,68,26,460	12,29,96,770
3.	Between 6 and 10 years	18,64,04,260	18,94,51,600
VII.	**Quantitative sensitivity analysis for significant assumption is as below**		
1.	**Increase/ (decrease) on present value of defined benefits obligation at the end of the year**		
(i)	One percentage point increase in discount rate	(3,08,74,960)	(2,34,77,820)
(ii)	One percentage point decrease in discount rate	3,60,46,530	2,82,95,900
(I)	One percentage point increase in rate of salary increase	3,51,70,980	2,78,99,890
(ii)	One percentage point decrease in rate of salary increase	(3,07,56,950)	(2,35,96,130)

2. Sensitivity Analysis Method

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

VIII. Investment Details

The full amount has been invested in the Cash Accumulation Scheme of Life Insurance Corporation of India.

	April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
IX. Assumptions		
a. Discount rate (per annum)	**6.00%**	6.75%
b. Rate of escalation in salary (per annum)	**7.50%**	7.50%

ii) Details of non-funded post retirement defined benefit obligations are as follows:

Description	April 2020 to March 2021 ₹		April 2019 to March 2020 ₹	
	Medical	Ex-MD Pension	Medical	Ex-MD Pension
I. Reconciliation of opening and closing balances of obligation				
1. Present Value of defined benefit obligation as at the beginning of the year	7,54,10,818	4,39,26,705	6,76,13,963	4,33,89,465
2. Current Service Cost	10,38,960	—	12,90,000	—
3. Interest Cost on the defined benefit obligation	50,25,650	28,60,820	48,86,080	31,38,400
4. Actuarial (gains)/ losses - Experience	(44,38,240)	(19,91,200)	8,81,250	(35,46,040)
5. Actuarial losses- Financial Assumptions	64,89,740	26,85,830	56,71,880	40,81,680
6. Benefits paid directly by the Company	(19,13,382)	(31,36,800)	(49,32,355)	(31,36,800)
7. Closing Present Value of defined benefit obligation	**8,16,13,546**	**4,43,45,355**	**7,54,10,818**	**4,39,26,705**
II. Expense recognized in the statement of profit and loss for the year				
1. Current service cost	10,38,960	—	12,90,000	—
2. Net interest on net defined benefit liability	50,25,650	28,60,820	48,86,080	31,38,400
3. Total expenses included in employee benefits expense	**60,64,610**	**28,60,820**	**61,76,080**	**31,38,400**
III. Recognized in other comprehensive income for the year				
1. Actuarial (gain)/ loss due to defined benefit obligation experience	(44,38,240)	(19,91,200)	8,81,250	(35,46,040)
2. Actuarial loss due to defined benefit obligation financial assumption changes	64,89,740	26,85,830	56,71,880	40,81,680
3. Actuarial (gains)/ losses recognized in other comprehensive income	**20,51,500**	**6,94,630**	**65,53,130**	**5,35,640**
IV. Assumptions				
a. Discount rate (per annum) at the beginning of the year	6.75%	6.75%	7.50%	7.50%
b. Discount rate (per annum) at the end of the year	—	6.00%	6.75%	6.75%
c. Rate of pension increase	—	8.00%	—	8.00%
d. Medical costs inflation rate	4.00%	—	4.00%	—
e. Average Medical Cost (Rs./ person)	1,855	—	1,750	—
V. Quantitative sensitivity analysis for significant assumption is as below				
Increase/(decrease) on present value of defined benefits obligation at the end of the year				
(i) One percentage point increase in discount rate	(84,51,480)	(35,21,610)	(73,91,700)	(34,83,500)
(ii) One percentage point decrease in discount rate	1,03,47,420	40,50,580	89,88,020	40,08,100
(i) One percentage point increase in medical inflation rate	16,92,150	—	91,53,950	—
(ii) One percentage point decrease in medical inflation rate	(14,70,880)	—	(76,35,580)	—
(i) One percentage point increase in pension rate	—	39,31,140	—	39,19,400
(ii) One percentage point decrease in pension rate	—	(34,90,870)	—	(34,75,910)
VI. Maturity profile of defined benefit obligation				
1. Within the next 12 months (next annual reporting period)	50,14,270	30,26,360	48,61,500	30,10,140
2. Between 2 and 5 years	2,15,58,780	1,28,45,880	2,14,69,960	1,25,58,300
3. Between 6 and 10 years	2,95,32,900	1,70,27,410	3,20,36,250	5,22,41,540

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

d) Risk exposure

Through its defined benefit plans, the Company is exposed to discount rate risk, salary growth risk, inflation risk, pension increment risk and demographic risks of mortality and attrition rates.

32 Income Taxes

a. A reconciliation of the tax expense to the amount computed by applying the statutory income tax rate to the profit before taxes is summarized below:

Particulars	**April 2020 to March 2021** ₹	April 2019 to March 2020 ₹
Profit before tax	57,14,07,322	131,38,27,612
Less: Expenses recognized in other comprehensive income	4,16,84,300	2,23,75,800
Adjusted Profit before tax (A)	**52,97,23,022**	**129,14,51,812**
Tax rate (B)	**25.168%**	**25.168%**
Tax expense (A*B)	**13,33,20,690**	**32,50,32,592**
Add: Tax effect of expenses that are not deductible for tax purposes: CSR Expenses	56,47,346	44,07,902
Add: Taxation for earlier years	29,78,009	(16,19,521)
Less: Tax effect of Income exempt from tax: Dividend Income	(51,97,892)	(25,170)
Add: Additional tax expense (deferred tax expense) due to change in tax rate	–	(2,56,58,969)
Less: Tax effect on exceptional item	(1,98,33,363)	–
Less: Other differences	(1,17,223)	27,45,652
Income tax expense charged to the Statement of Profit and Loss	**11,67,97,567**	**30,48,82,486**
Tax expense recognized in profit and loss	12,65,98,304	30,69,45,988
Income tax expenses recognized in Other Comprehensive Income	(98,00,737)	(20,63,502)
Income tax expense charged to the Statement of Profit and Loss	**11,67,97,567**	**30,48,82,486**

b. The tax effect of significant temporary differences that resulted in deferred tax liability are as follows:

Deductible temporary difference	**Balance sheet**		**Statement of profit and loss**		**Other comprehensive income**	
	As at 31 March 2021 ₹	As at 31 March 2020 ₹	April 2020 to March 2021 ₹	April 2019 to March 2020 ₹	April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
(i) Expense/ provision allowed on payment basis	7,14,43,270	5,48,33,734	68,08,799	(5,95,72,941)	98,00,737	38,47,745
(ii) Unpaid Royalty	77,55,353	2,09,33,734	(1,31,78,381)	83,89,650	—	—
(iii) Friendly departure scheme	9,28,995	14,42,207	(5,13,212)	(14,37,870)	—	—
(iv) Others	2,43,77,589	2,61,22,698	(17,45,109)	2,22,43,025	—	—
Total (A)	**10,45,05,207**	**10,33,32,373**	**(86,27,903)**	**(3,03,78,136)**	**98,00,737**	**38,47,745**
Taxable temporary difference						
Property, Plant and Equipment	17,16,73,173	16,19,25,214	97,47,959	(5,96,73,482)	—	—
Total (B)	**17,16,73,173**	**16,19,25,214**	**97,47,959**	**(5,96,73,482)**	**—**	**—**
Deferred Tax liability (B-A)	**6,71,67,966**	**5,85,92,841**	**1,83,75,862**	**(2,92,95,346)**	**(98,00,737)**	**(38,47,745)**

Net impact in Statement of Profit and Loss / Other Comprehensive Income *

* The total income tax expenses recognised in the Statement of Profit and Loss under Other Comprehensive income is inclusive of deferred tax release of Rs. 98,00,737 (Previous year - Rs. 38,47,745) and current tax charge of Rs. Nil (Previous year- Rs. 17,84,243).

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

c. **Reconciliation of deferred tax liability**

Particulars	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Opening balance as at 1 April	5,85,92,841	9,17,35,932
Less: Deferred tax release during the year	85,75,125	(3,31,43,091)
Closing balance as at 31 March	**6,71,67,966**	**5,85,92,841**

33 Reconciliation of Liabilities from Financing activities as stated in the Statement of Cash Flows are as follows :

Particulars	Balance as at 1 April 2020	Cash Flows	Non-Cash Changes	Balance as at 31 March 2021
Borrowings	233,16,79,996	(22,16,12,416)	(1,76,06,975)	209,24,60,605
Lease liabilities	19,54,05,204	(2,34,10,979)	3,41,88,713	20,61,82,938
Total Liabilities from financing activities	**252,70,85,200**	**(24,50,23,395)**	**1,65,81,738**	**229,86,43,543**
Particulars	**Balance as at 1 April 2019**	**Cash Flows**	**Non-Cash Changes**	**Balance as at 31 March 2020**
Borrowings	219,01,28,280	12,71,37,944	1,44,13,772	233,16,79,996
Lease liabilities	–	(2,17,13,379)	21,71,18,583	19,54,05,204
Total Liabilities from financing activities	**219,01,28,280**	**10,54,24,565**	**23,15,32,355**	**252,70,85,200**

34 Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 25 (2)(j) to the financial statements.

(a) Financial Instruments by Category

The following table presents carrying amount and fair value of each category of financial asset and liabilities.

As at 31 March 2021

Particulars	Amortised cost ₹	Fair value through other comprehensive income ₹	Derivative instruments ₹	Total Carrying Value ₹	Total Fair Value ₹
Financial assets					
Trade receivables	237,15,05,637	—	—	237,15,05,637	237,15,05,637
Investments	—	1,49,36,500	—	1,49,36,500	1,49,36,500
Cash and bank balances	1,31,33,513	—	—	1,31,33,513	1,31,33,513
Loans	7,62,53,193	—	—	7,62,53,193	7,62,53,193
Other financial assets	20,27,414	—	—	20,27,414	20,27,414
Total	**246,29,19,757**	**1,49,36,500**	**—**	**247,78,56,257**	**247,78,56,257**
Financial liabilities					
Borrowings	209,24,60,405	—	—	209,24,60,405	209,24,60,405
Trade payables	288,16,67,362	—	—	288,16,67,362	288,16,67,362
Lease liabilities	20,61,82,938	—	—	20,61,82,938	20,61,82,938
Other financial liabilities	22,87,24,211	—	17,47,778	23,04,71,989	23,04,71,989
Total	**540,90,34,916**	**—**	**17,47,778**	**541,07,82,694**	**541,07,82,694**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
(Amount in ₹, except otherwise stated)

As at 31 March 2020

Particulars	Amortised cost	Fair value through other comprehensive income	Derivative instruments	Total Carrying Value	Total Fair Value
	₹	₹	₹	₹	₹
Financial assets					
Trade receivables	274,21,82,238	–	–	274,21,82,238	274,21,82,238
Investments	–	86,19,000	–	86,19,000	86,19,000
Cash and bank balances	96,39,728	–	–	96,39,728	96,39,728
Loans	8,90,49,431	–	–	8,90,49,431	8,90,49,431
Other financial assets	3,73,56,165	–	–	3,73,56,165	3,73,56,165
Total	**287,82,27,562**	**86,19,000**	**–**	**288,68,46,562**	**288,68,46,562**
Financial liabilities					
Borrowings	233,16,79,996	–	–	233,16,79,996	233,16,79,996
Trade payables	215,04,74,003	–	–	215,04,74,003	215,04,74,003
Lease liabilities	19,54,05,204	–	–	19,54,05,204	19,54,05,204
Other financial liabilities	8,45,86,039	–	35,23,863	8,81,09,902	8,81,09,902
Total	**476,21,45,242**	**–**	**35,23,863**	**476,56,69,105**	**476,56,69,105**

(b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below-

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

As at 31.03.2021

Particulars	Carrying Amount Level 1	Level 2	Fair Value Level 3	
	₹	₹	₹	₹
Financial assets				
Investment - Equity share (HDFC Bank)	1,49,36,500	1,49,36,500	—	—
Financial liabilities				
Derivative liabilities - forward cover	17,47,778	—	17,47,778	—
As at 31 March 2020				
Financial assets				
Investment - Equity share (HDFC Bank)	86,19,000	86,19,000	—	—
Financial liabilities				
Derivative liabilities - forward cover	35,23,863	—	35,23,863	—

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

(c) Financial Risk Management Policies And Objectives:

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board.

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables, payables, loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowings.

Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variables interest rates. Any movement in the reference rates could have an impact on the Company's cash flow as well as costs.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations.

Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies.

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.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash and cash equivalents to manage its liquidity risk.

The non-derivative financial liabilities of the Company are all payable within 12 months. (Refer Note 13 and 14).

The following table shows a maturity analysis of the anticipated cash flows including future interest obligations for derivative and non-derivative financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting period. Cash flows in foreign currencies are translated using the period end spot rates.

Particulars	Carrying Value	Contractual Cash flow	Less than one year	Between one to five years	More than five years
Non derivative financial liabilities					
Borrowings including interest obligations	209,24,60,405	234,86,04,274	121,21,97,954	113,64,06,320	—
	233,16,79,996	*257,86,95,957*	*153,40,56,196*	*104,46,39,761*	—
Trade payables	288,16,67,362	288,16,67,362	288,16,67,362	—	—
	215,04,74,003	*215,04,74,003*	*215,04,74,003*	—	—
Lease liabilities	20,61,82,938	30,90,40,311	2,58,68,121	12,81,90,011	15,49,82,179
	19,54,05,204	*30,82,99,460*	*2,35,02,793*	*9,83,28,039*	*18,64,68,628*
Other financial liabilities	22,87,24,211	22,87,24,211	22,87,24,211	—	—
	8,45,86,039	*8,45,86,039*	*8,45,86,039*	—	—
Derivative financial liabilities	17,47,778	17,47,778	17,47,778	—	—
	35,23,863	*35,23,863*	*35,23,863*	—	—

Note- Figures in italics relates to previous year.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

Credit Risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company.

To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

Financial assets are provided for when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for provision as per provisioning policy of the Company. Where loans or receivables have been provided, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in the Statement of Profit and Loss.

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain.

(d) **Foreign Currency exposure as at 31 March 2021** ₹

Particulars	USD	EUR	JPY	GBP	Others	Total
Financial Assets						
Trade Receivables	45,21,58,242	16,05,22,536	—	8,52,54,468	26,42,810	70,05,78,056
Bank balance in Current account	—	—	—	6,86,771	—	6,86,771
Other Assets	1,68,614	1,51,06,523	—	—	54,697	1,53,29,834
Financial Liabilities						
Trade Payables	(68,98,07,174)	(14,05,55,053)	(1,81,89,193)	(2,44,897)	(1,06,84,463)	(85,94,80,780)
Loan in Foreign Currency	(28,05,09,445)	—	—	—	—	(28,05,09,445)
Advance from Customers	(65,99,052)	—	—	—	—	(65,99,052)
Net Exposure to Foreign Currency Risk	**(52,45,88,815)**	**3,50,74,006**	**(1,81,89,193)**	**8,56,96,342**	**(79,86,956)**	**(42,99,94,616)**

Foreign Currency exposure as at 31 March 2020 ₹

Particulars	USD	EUR	JPY	GBP	Others	Total
Financial Assets						
Trade Receivables	55,48,39,756	22,79,21,411	—	1,50,82,276	26,42,810	80,04,86,254
Bank balance in Current account	—	—	—	6,48,435	—	6,48,435
Other Assets	12,03,954	6,61,84,510	—	—	1,90,94,878	8,64,83,341
Financial Liabilities						
Trade Payables	(49,09,11,208)	(1,50,96,539)	(3,35,31,208)	(4,19,556)		(53,99,58,511)
Loan in Foreign Currency	(25,01,94,679)	(15,99,57,297)	—	(2,66,83,570)	—	(43,68,35,546)
Advance from Customers	(3,77,05,040)	(36,424)	—	—	—	(3,77,41,465)
Net Exposure to Foreign Currency Risk	**(22,27,67,217)**	**11,90,15,660**	**(3,35,31,208)**	**(1,13,72,415)**	**2,17,37,688**	**(12,69,17,492)**

(e) **Sensitivity Analysis**

1% increase or decrease in foreign currency exchange rates will have the following impact on profit before tax

₹

Particulars	**April 2020 to March 2021**		**April 2019 to March 2020**	
	1% Increase	**1% decrease**	**1% Increase**	**1% decrease**
USD	(52,45,888)	52,45,888	(22,27,672)	22,27,672
EUR	3,50,740	(3,50,740)	11,90,157	(11,90,157)
JPY	(1,81,892)	1,81,892	(3,35,312)	3,35,312
GBP	8,56,963	(8,56,963)	(1,13,724)	1,13,724
Others	(79,870)	79,870	2,17,377	(2,17,377)
Increase / (decrease) in profit	**(42,99,947)**	**42,99,947**	**(12,69,174)**	**12,69,174**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

(f) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rates relates primarily to the Company's debt interest obligation.

The exposure of the Company's floating debt interest obligation and its sensitive analysis are as follows:

	April 2020 to March 2021	April 2019 to March 2020
Company's debt obligation (Floating rates)	209,24,60,405	233,16,79,996

Sensitivity analysis assuming the amount of the liability outstanding at the year end was outstanding for the whole year:

If interest rate had been 25 basis point higher/ lower and all other variables held constant, the company's profit before tax for the ended 31 March 2021 would decrease/ increase by Rs. 52,31,151 (Previous year - Rs. 58,29,200). This is mainly attributable to the company's exposure to interest rates on its floating rate borrowings.

(g) Securities price risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices. The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. The value of investments in such equity instruments as at 31 March 2021 is Rs. 1,49,36,500 (Previous year - Rs. 86,19,000). Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

35 Capital management

The Company's capital management is intended to safeguard its ability to continue as a going concern so that to create value for shareholders and benefits for other stakeholders by facilitating the achievement of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations, long term and short term bank borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances and other financial assets. The table below summarises the capital, net debt and net debt equity ratio of the Company.

	As at 31 March 2021	As at 31 March 2020
	₹	₹
Total borrowings	209,24,60,405	233 ,16,79,996
Less: cash and cash equivalents, other bank balances and other financial assets (refer note 5,9 & 10)	1,51,60,927	4,69,95,893
Net Debt	**207,72,99,478**	**228,46,84,103**
Equity	**497,56,64,342**	**485,94,71,387**
Total Capital (Equity + Net Debt)	**705,29,63,820**	**714,41,55,490**
Net Debt to Equity Ratio	**0.42**	**0.47**

36 Note on Revenue disaggregation

	India	Out side India	Total
	₹	₹	₹
Sale of products	1043,68,16,839	235,32,36,945	1279,00,53,784
	1141,88,60,841	*315,52,06,819*	*1457,40,67,660*
Income from sale of services	126,20,07,953	5,28,35,185	131,48,43,138
	161,96,68,878	*11,28,16,841*	*173,24,85,719*
Other operating revenue	13,43,80,342	—	13,43,80,342
	22,26,07,135	—	*22,26,07,135*
Total revenue from operations	**1183,32,05,134**	**240,60,72,130**	**1423,92,77,264**
	1326,11,36,854	*326,80,23,660*	*1652,91,60,514*

Note - Figures in italics relates to previous year.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

Revenue Reconciliation	April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
Total Revenue	1429,36,41,412	1658,02,36,310
Less: variable consideration (Cash Discount)	5,43,64,148	5,10,75,796
Total revenue from operations	**1423,92,77,264**	**1652,91,60,514**

- The Company's performance obligations are satisfied on delivery of product or service to the customer. Delivery of product completes when the products have been shipped or delivered to the specific location, of the customer, as the case may be. Delivery of service completes on receipt of confirmation from customer.
- The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payments by the customer exceeds one year and hence, there are no significant financing component included in such contracts.

37 Contract Liability

TThe Company has recognised Revenue from Sale of products and Income from sale of Services amounting to Rs. 7,04,77,924 during the year ended 31 March 2021 against the advance received from customer which was outstanding as on 31 March 2020 (Previous year : Rs. 1,46,91,106 against advance received from customer which was outstanding as on 31 March 2019).

38 Related Party Disclosures

a) List of related parties of TRL Krosaki Refractories Limited

Sl No	Name	Country of Incorporation	% of Equity Interest As at 31 March 2021	% of Equity Interest As at 31 March 2020
i)	**Parent Entity (Holding company)**			
	Krosaki Harima Corporation	Japan	77.62	77.62
ii)	**Associate Companies**			
	TRL Krosaki Asia Pte Limited	Singapore	37	37
	Almora Magnesite Limited	India	39	39
iii)	**Entity having significant influence over holding Company (Ultimate Holding Company)**			
	Nippon Steel Corporation (Formerly known as Nippon Steel & Sumitomo Metal Corporation)	Japan		
iv)	**Subsidiary of Nippon Steel Corporation**			
	Nippon Steel India Pvt Ltd	India		
	Nippon Steel Engineering India Pvt. Ltd.	India		
	Sanyo Special Steel Co. Ltd	Japan		
v)	**Fellow Subsidiaries**			
	TRL Krosaki China Limited (formerly known as TRL China Limited)	China		
	Krosaki Harima (Shanghai) Enterprise Management Co, Ltd	China		
	Krosaki Harima Europe B.V.	Netherland		
	Krosaki USA Inc.(KUI)	USA		
vi)	**Associate of Krosaki Harima Corporation**			
	IFGL Refractories Limited (IFGL) (Formerly known as IFGL Exports Limited)	India		

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

vii) Joint Venture of Subsidiary of Nippon Steel Corporation

ArcelorMittal Nippon Steel India Limited	India
Mahindra Sanyo Special Steel Pvt Ltd.	India

viii) Key Managerial Personnel

(I) Directors

Mr. H. M. Nerurkar (Chairman)

Mr. P. B. Panda (Managing Director)

Mr. P. V. Bhide

Mr. R. Ranganath Rao

Mr. Sudhansu Pathak

Mr. Toshikazu Takasu

Mr. Hisatake Okumura

Mr. Asaya Sachihiko (w.e.f 16 March,2021)

Ms. Shuang Zhu (w.e.f 26 May,2020)

Mr. Anirban Dasgupta (w.e.f 28 July,2020)

Mr. Kotaro Kuroda (upto 28 September,2020)

Mr. Kiyotaka Oshikawa (upto 01 February,2021)

Mr. Sadayoshi Tateishi (upto 28 September,2020)

Mr. Takeshi Yoshida (upto 28 September,2020)

Sunanda Lahiri (upto 20 March,2020)

Mr. Sudhir Krishnaji Joshi (upto 20 March,2020)

(ii) Other than Directors

Mr. M. V. Rao (Sr. Vice President (Finance) & CFO)

Mr. Sambit Mishra (Company Secretary) (w.e.f 27 October,2020)

Mr. Arabinda Debta (Company Secretary) (upto 04 August,2020)

ix) Relative of Key Managerial Personnel

Mr. Dinabandhu Panda

x) Employees' Benefit Plans

TRL Krosaki Refractories Limited Provident Fund

TRL Krosaki Refractories Limited Superannuation Fund

TRL Krosaki Refractories Limited Gratuity Fund

Note:

(1) The list contains those related parties with whom the Company has transactions during the current or previous year.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

b) Transactions with Related Parties

Particulars	Holding Company	Subsidiaries & Associates of the Holding company	Subsidiaries of ultimate Holding company and it's joint ventures	Associates of the Company	Key Managerial Personnel and relative
Purchase of Raw Materials and goods	12,29,62,252	55,17,10,708	–	1,66,19,288	–
	15,20,31,361	*82,92,48,570*	–	*1,65,29,879*	–
Sales and Services	8,08,49,024	32,61,02,204	40,36,64,118	–	–
	10,34,10,194	*24,27,90,932*	*15,14,04,675*	*16,17,261*	–
Receiving of Services	–	7,60,510	–	–	–
	3,42,036	*5,31,590*	–	–	–
Interest Expenses	–	–	23,98,060	–	–
	–	–	*3,42,394*	–	–
Royalty	6,41,29,414	–	–	–	–
	9,19,00,692	–	–	–	–
Dividend paid	23,52,31,528	–	–	–	2,175
	19,79,18,941	–	–	–	*1,830*
Dividend received	–	–	–	2,06,51,141	–
	–	–	–	–	–
Outstanding Balance -Debtors	1,29,24,653	16,83,49,511	7,71,92,012	–	–
	1,78,63,388	*18,25,21,452*	*5,24,08,162*	–	–
Loans and advances recovered	–	–	–	–	60,000
	–	–	–	–	*60,000*
Outstanding Loan Balance	–	–	–	–	1,45,000
	–	–	–	–	*2,05,000*
Creditors	6,14,84,303	9,20,88,542	–	12,67,532	–
	14,48,05,916	*15,35,04,060*	–	–	–
Interest Accrued	–	–	–	–	–
	–	–	*3,08,155*	–	–
Loans and Advances Received	–	2,548	–	–	–
	–	*7,38,903*	–	–	–
Borrowings (net of repayment)	–	–	–	–	–
	–	–	*17,99,86,223*	–	–
Short term employee benefits	–	–	–	–	3,68,41,272
	–	–	–	–	*5,41,54,532*
Post employment benefits (Refer Note b below)	–	–	–	–	30,88,816
	–	–	–	–	*30,75,952*
Other long term employee benefits (Refer Note b below)	–	–	–	–	–
	–	–	–	–	–
Commission	–	–	–	–	75,59,000
	–	–	–	–	*51,94,000*
Sitting Fees (Refer Note e below)	–	–	–	–	39,45,000
	–	–	–	–	*15,40,000*

Transactions presented above are inclusive of goods and services tax (GST).

Terms and conditions of transactions with related parties

(a) All related party transactions entered during the year were in ordinary course of the business and are at arm's length basis for the year ended 31 March 2021 and the Company has not recorded any impairment of receivables relating to amounts owed by related parties (Previous year: nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(b) As the liabilities for defined benefit plans are provided on actuarial basis for the Company as whole, the amounts pertaining to key managerial personnel and relatives are not included.

(c) During the year, the Company has contributed Rs. 8,92,45,922 (Previous year: Rs. 11,03,65,292) to the post employment benefit plans to the Trusts managed by the Company.

(d) Figures in italics represent comparative figures of the previous year.

(e) Sitting fees of all nominated directors has been paid to respective nominee companies.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

39 Earnings per Share (EPS)

EPS is calculated by dividing the profit attributable to the equity shareholders by the average number of shares outstanding during the year. The basic and diluted earnings per share has been calculated below :

		April 2019 to March 2021	April 2019 to March 2020
a)	Profit after Tax	44,48,09,018	100,68,81,624
b)	Profit attributable to Equity Share Holders	44,48,09,018	100,68,81,624
c)	Weighted average number of Equity Shares outstanding during the year	2,09,00,000	2,09,00,000
d)	Nominal Value per share	10	10
e)	Basic / diluted Earning per Equity Share	21.28	48.18

40 In terms of Indian Accounting Standard (Ind AS) 108 on 'Operating Segment' notified in the Companies Act, 2013, segment information has been presented in the Consolidated Financial Statements, prepared pursuant to Indian Accounting Standard (Ind AS) 110 on 'Consolidated Financial Statements' and Indian Accounting Standard (Ind AS) 28 on 'Investments in Associates and Joint Ventures' notified in the Act, included in the Annual Report for the year.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, April 27, 2021

For and on behalf of the Board of Directors
CIN-U26921OR1958PLC000349

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
Mumbai

sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)
Belpahar

sd/-
M. V. RAO
Sr. VP (Finance) &
CFO
Belpahar

sd/-
SAMBIT MISHRA
Company Secretary
(ACS : 59808)
Belpahar

April 27, 2021

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TRL KROSAKI REFRACTORIES LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of TRL Krosaki Refractories Limited (hereinafter referred to as "the Company") and its associates, which comprise the consolidated balance sheet as at 31 March 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its associates as at 31 March 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

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 SAs are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company and its associates, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Other Information

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

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

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

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Company including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the Company and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the company and of its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company and of its associates are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause the Company and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

  We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matters

The consolidated financial statements include the Company's share of net loss (and other comprehensive loss) of Rs. 8,53,56,180 for the year ended 31 March 2021, as considered in the consolidated financial statements, in respect of two associates, whose financial information have not been audited by us or by other auditors. These unaudited financials information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associates, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Company.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Company as on 31 March 2021 taken on record by the Board of Directors of the Company, none of the directors of the Company is disqualified as on 31 March 2021 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 associate companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :

   i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2021 on the consolidated financial position of the Company. Refer Note 25 to the consolidated financial statements.

   ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2021.

   iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021.

   iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2021.

C. With respect to the matter to be included in the Auditors' report under section 197(16):

   In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022
UDIN No. : 21060715AAAAGJ2901

sd/-

Seema Mohnot
Partner
Membership No.060715

Place: Kolkata
Date: April 27, 2021

Annexure - A to the Independent Auditors' report on the consolidated financial statements TRL Krosaki Refractories Limited for the year ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph [(A)f] under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of TRL Krosaki Refractories Limited (hereinafter referred to as "the Company") as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Company, as of that date.

In our opinion, the Company has in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by the Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated 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 with reference to consolidated financial statements. 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 consolidated financial statements were 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated 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 controls with reference to consolidated 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 Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements does not include our reporting on one associate company, which is incorporated in India, since the financial information of this company have not been audited by us or by other auditor and according to the information and explanations given to us by the Management, this financial information are not material to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022
UDIN No. : 21060715AAAAGJ2901

sd/-

Seema Mohnot
Partner
Membership No.060715

Place: Kolkata
Date: April 27, 2021

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2021

Particulars	Note	As at 31 March 2021 ₹	As at 31 March 2020 ₹
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	01(a)	300,70,96,585	240,65,09,328
(b) Capital work-in-progress	01(c)	107,16,64,072	69,35,32,740
(c) Right-of-use assets	30	18,59,26,863	18,44,93,590
(d) Intangible assets	01(b)	3,18,10,033	3,43,79,513
(e) Equity accounted investments	02	30,36,85,008	40,96,92,329
(f) Financial assets			
(i) Investments	03	1,49,36,500	86,19,000
(ii) Loans	04	5,21,24,175	5,92,75,806
(iii) Other financial assets	05	—	3,46,53,923
(g) Non-current tax assets (net)		1,52,65,829	10,29,04,117
(h) Other non-current assets	06	25,80,28,701	29,79,59,875
Total Non-current assets		**494,05,37,766**	**423,20,20,221**
(2) Current assets			
(b) Inventories	07	356,60,27,852	314,01,62,437
(b) Financial assets			
(i) Trade receivables	08	237,15,05,637	274,21,82,238
(ii) Cash and cash equivalents	09	1,31,22,819	77,36,150
(iii) Other balances with bank	10	10,694	18,56,153
(iv) Loans	04	2,41,29,018	2,97,73,625
(v) Other financial assets	05	20,27,414	27,49,667
(c) Other current assets	06	31,35,80,161	49,69,76,226
(d) Assets held for sale		2,77,90,085	8,61,82,870
Total Current assets		**631,81,93,680**	**650,76,19,366**
TOTAL ASSETS		**1125,87,31,446**	**1073,96,39,587**
EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity share capital	11	20,90,00,000	20,90,00,000
(b) Other equity		494,15,60,560	491,30,70,735
Total Equity		**515,05,60,560**	**512,20,70,735**
(2) LIABILITIES			
(i) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	101,42,76,750	87,17,20,000
(ii) Lease liabilities	30	19,41,16,397	18,54,54,065
(b) Provisions	15	41,94,34,260	32,90,45,975
(c) Deferred tax liabilities (net)		4,98,96,181	5,96,25,247
Total Non-current liabilities		**167,77,23,588**	**144,58,45,287**
(ii) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	74,00,91,405	145,99,59,996
(ii) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	13(a)	2,62,48,180	2,78,13,667
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	13(b)	285,54,19,182	212,26,60,336
(iii) Lease liabilities	30	1,20,66,541	99,51,139
(iv) Other financial liabilities	14	56,85,64,239	8,81,09,902
(b) Other current liabilities	16	10,47,20,118	32,05,70,496
(c) Provisions	15	8,74,39,956	8,89,69,279
(d) Current tax liabilities (net)		3,58,97,677	5,36,88,750
Total Current liabilities		**443,04,47,298**	**417,17,23,565**
TOTAL EQUITY AND LIABILITIES		**1125,87,31,446**	**1073,96,39,587**
Notes forming part of financial statements	(1-41)		

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, April 27, 2021

For and on behalf of the Board of Directors
CIN-U26921OR1958PLC000349

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
Mumbai

sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)
Belpahar

sd/-
M. V. RAO
Sr. VP (Finance) & CFO
Belpahar

sd/-
SAMBIT MISHRA
Company Secretary
(ACS : 59808)
Belpahar

April 27, 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021

		Note	April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
I	Revenue from operations	17	1423,92,77,264	1652,91,60,514
II	Other income	18	3,73,97,298	84,52,787
III	**Total Income (I+II)**		**1427,66,74,562**	**1653,76,13,301**
IV	**EXPENSES**			
	(a) Cost of materials consumed	20	617,69,95,338	716,83,00,302
	(b) Purchases of stock-in-trade		210,10,82,304	246,13,23,335
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	21	12,98,35,739	(12,48,35,468)
	(d) Employee benefits expense	22	130,62,14,272	125,65,39,715
	(e) Finance costs	23	12,41,60,393	16,55,21,583
	(f) Depreciation and amortisation expense	01 & 30	28,93,49,422	26,82,69,869
	(g) Other expenses	24	367,70,78,538	402,86,66,353
	Total Expenses (IV)		**1380,47,16,006**	**1522,37,85,689**
V	**Share of (loss)/profit of equity accounted investees**		**(8,53,56,180)**	**4,18,79,228**
VI	**Profit before exceptional item and tax (III - IV+V)**		**38,66,02,376**	**135,57,06,840**
VII	**Exceptional Item**	**19**	**7,87,97,625**	**—**
VIII	**Profit before tax (VI+VII)**		**46,54,00,001**	**135,57,06,840**
IX	**Tax Expense**			
	(a) Current tax		10,52,44,433	33,78,60,855
	(b) Taxation for earlier years		29,78,009	(16,19,521)
	(c) Deferred tax		71,671	(3,42,51,286)
	Total tax expense		**10,82,94,113**	**30,19,90,048**
X	**Profit for the year (VIII-IX)**		**35,71,05,888**	**105,37,16,792**
XI	**Other Comprehensive Income / (loss)**			
	(i) Items that will not be reclassified subsequently to profit and loss			
	(a) Remeasurement loss of defined benefit plans		(4,16,84,300)	(2,23,75,800)
	(b) Fair value changes of investments in equity shares		63,17,500	(29,75,500)
	(ii) Income tax on items that will not be reclassified subsequently to profit and loss		98,00,737	20,63,502
	Total Other comprehensive loss for the year (net of income tax)		**(2,55,66,063)**	**(2,32,87,798)**
XII	**Total Comprehensive Income for the year (X+XI)**		**33,15,39,825**	**103,04,28,994**
XIII	**Earnings per equity share**			
	Basic and Diluted [Face value of Rs.10 each] (PY: Face value of Rs.10 each)	41	17.09	50.42
	Notes forming part of financial statements	(1-41)		

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, April 27, 2021

For and on behalf of the Board of Directors
CIN-U26921OR1958PLC000349

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SAMBIT MISHRA
Company Secretary
(ACS : 59808)
Belpahar

April 27, 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

(A) EQUITY SHARE CAPITAL

(Refer Note 11)

As at 31 March 2021

₹

Particulars	Balance as at 1 April 2020	Changes in equity share capital during the year	Balance as at 31 March 2021
Equity Share Capital	20,90,00,000	—	20,90,00,000

As at 31 March 2020

₹

Particulars	Balance as at 1 April 2019	Changes in equity share capital during the year	Balance as at 31 March 2020
Equity Share Capital	20,90,00,000	—	20,90,00,000

(B) OTHER EQUITY

(Refer Note 11)

As at 31 March 2021

₹

Particulars	Reserve & Surplus			Items of Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Security Premium Reserve	Investment Revaluation Reserve	
Balance as at 1 April 2020	**261,32,27,810**	**142,49,94,100**	**75,73,04,560**	**11,75,44,265**	**491,30,70,735**
Profit for the year	**35,71,05,888**	—	—	—	**35,71,05,888**
Dividend	**(30,30,50,000)**	—	—	—	**(30,30,50,000)**
Fair value gain on equity instrument	—	—	—	**63,17,500**	**63,17,500**
Remeasurement gain on defined benefit plans	**(3,18,83,563)**	—	—	—	**(3,18,83,563)**
Balance as at 31 March 2021	**263,54,00,135**	**142,49,94,100**	**75,73,04,560**	**12,38,61,765**	**494,15,60,560**

As at 31 March 2020

₹

Particulars	Reserve & Surplus			Items of Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Security Premium Reserve	Investment Revaluation Reserve	
Balance as at 1 April 2019	188,72,15,205	142,49,94,100	75,73,04,560	12,05,19,765	419,00,33,630
Profit for the year	105,37,16,792	—	—	—	105,37,16,792
Dividend (Including dividend distribution tax)	(30,73,91,889)	—	—	—	(30,73,91,889)
Fair value loss on equity instrument	—	—	—	(29,75,500)	(29,75,500)
Remeasurement loss on defined benefit plans	(2,03,12,298)	—	—	—	(2,03,12,298)
Balance as at 31 March 2020	**261,32,27,810**	**142,49,94,100**	**75,73,04,560**	**11,75,44,265**	**491,30,70,735**

Retained earnings : Retained earnings are profit that the Company has earned till date, less dividend or other distributions paid to shareholders. It also includes remeasurement gain / loss of defined benefit plans.

General Reserve : Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. There is no movement in general reserve during the current and previous year.

Securities premium : Securities premium is used to record the premium on issue of shares. Securities premium is utilised in accordance with the provisions of the Companies Act, 2013. There is no movement in securities premium during the current and previous year.

Investment revaluation reserve : The cumulative gains and losses arising on fair value changes of equity investments measured at fair value through other comprehensive income are recognised in investment revaluation reserve.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Belpahar
Kolkata, April 27, 2021

For and on behalf of the Board of Directors
CIN-U26921OR1958PLC000349

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
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Managing Director
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Belpahar

sd/-
SAMBIT MISHRA
Company Secretary
(ACS : 59808)
Belpahar

Kolkata, April 27, 2021

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2021

		April 2020 - March 2021 ₹	April 2019 - March 2020 ₹
A. Cash Flow from Operating activities:			
Profit before tax		46,54,00,001	135,57,06,840
Adjustments for:			
Share of profit of equity accounted investees		8,53,56,180	(4,18,79,228)
Depreciation and amortisation expense		28,93,49,422	26,82,69,869
Write back of allowances for credit loss		(1,62,74,849)	(9,03,352)
Property, plant and equipment written off		—	22,67,695
Exceptional Item (Profit on sale of assets held-for sale)		(7,87,97,625)	—
Dividend income		—	(1,00,000)
Net gain on sale of property, plant and equipment		(30,17,410)	(15,40,789)
Interest income		(3,43,79,888)	(68,11,998)
Finance costs		12,41,60,393	16,55,21,583
Unrealised gain on foreign exchange fluctuation		(36,66,919)	(93,87,374)
Operating profit before working capital changes		**82,81,29,305**	**173,11,43,246**
Adjustments for:			
Decrease / (Increase) in non-current / current financial and other assets		52,39,33,809	(42,20,05,483)
(Increase) / decrease in inventories		(42,58,65,415)	45,52,85,155
Increase in non-current / current financial and other liabilities / provisions		60,34,39,967	6,44,01,111
Cash generated from operations		**152,96,37,666**	**182,88,24,029**
Income tax paid (net of refunds)		(3,83,75,227)	(36,82,39,835)
Net Cash from Operating Activities	**A**	**149,12,62,439**	**146,05,84,194**
B. Cash Flow from Investing Activities:			
Acquisitions of property, plant and equipment		(116,10,38,249)	(129,23,63,340)
Proceeds on sale of property, plant and equipment		39,82,198	23,56,136
Advance against sale of land		2,74,18,392	4 ,75,00,000
Proceeds from sale of land		8,96,90,410	—
Fixed deposits with bank		3,40,92,885	(1,31,587)
Interest received		3,74,94,766	41,76,414
Dividend received		2,06,51,141	1,00,000
Net Cash used in Investing Activities	**B**	**(94,77,08,457)**	**(123,83,62,377)**
C. Cash Flow from Financing Activities:			
Proceeds from borrowings		59,75,56,361	139,38,11,163
Repayment of borrowings		(81,91,68,977)	(126,66,73,219)
Payment of lease liabilities (including interest)		(2,34,10,979)	(2,17,13,379)
Proceeds from government grant		11,92,53,864	1,53,67,107
Interest paid		(10,93,47,582)	(14,34,05,765)
Dividend paid (including dividend distribution tax)		(30,30,50,000)	(30,73,91,889)
Net Cash used in Financing Activities	**C**	**(53,81,67,313)**	**(33,00,05,982)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		**53,86,669**	**(10,77,84,165)**
Opening Cash and Cash equivalents (Refer Note 9)		**77,36,150**	**11,55,20,315**
Closing Cash and Cash equivalents (Refer Note 9)		**1,31,22,819**	**77,36,150**

Note:

i) Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 specified under Section 133 of the Companies Act, 2013.

ii) Figures in brackets represent cash outflows.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, April 27, 2021

For and on behalf of the Board of Directors
CIN-U26921OR1958PLC000349

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CFO
Belpahar

sd/-
SAMBIT MISHRA
Company Secretary
(ACS : 59808)
Belpahar

April 27, 2021

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 01

Description	Cost / (Deemed Cost) as at 1 April 2020	Additions	Deductions	Cost / Deemed Cost as at 31 March 2021	Accumulated Depreciation as at 1 April 2020	Depreciation for the Year		Accumulated Depreciation as at 31 March 2021	Net Carrying Value as at 31 March 2021
						Additions	Disposals/ Deductions		
	₹	₹	₹	₹	₹	₹	₹	₹	₹
1(a). Property, plant and equipment									
Freehold Land	18,67,412	—	—	18,67,412	—	—	—	—	18,67,412
	(18,67,412)	—	—	*(18,67,412)*	—	—	—	—	*(18,67,412)*
Buildings and Roads	94,44,84,452	25,39,98,526	31,07,735	119,53,75,243	19,58,78,012	2,92,50,319	31,07,735	22,20,20,596	97,33,54,647
	(72,50,81,520)	*(2194,02,932)*	—	*(94,44,84,452)*	*(17,41,54,312)*	*(2,17,23,700)*	—	*(19,58,78,012)*	*(74,86,06,440)*
Plant and Machinery	202,54,18,432	56,81,52,285	4,14,13,508	255,21,57,209	55,11,03,687	18,66,42,296	4,05,85,239	69,71,60,744	185,49,96,465
	(181,72,03,866)	*(30,22,08,488)*	*(9,39,93,922)*	*(202,54,18,432)*	*(47,21,16,898)*	*(17,01,27,852)*	*(9,11,41,063)*	*(55,11,03,687)*	*(147,43,14,745)*
Railway Siding	1,34,48,476	—	—	1,34,48,476	72,24,870	14,44,974	—	86,69,844	47,78,632
	(1,34,48,476)	—	—	*(1,34,48,476)*	*(57,79,896)*	*(14,44,974)*	—	*(72,24,870)*	*(62,23,606)*
Furniture and Fixture	15,15,01,214	16,73,669	1,48,196	15,30,26,687	7,28,29,760	1,42,20,816	1,47,092	8,69,03,484	6,61,23,203
	(10,57,07,638)	*(4,60,21,945)*	*(2,28,369)*	*(15,15,01,214)*	*(5,41,26,315)*	*(1,89,31,814)*	*(2,28,369)*	*(7,28,29,760)*	*(7,86,71,454)*
Office Equipments	8,12,51,455	2,39,81,768	67,77,647	9,84,55,576	2,51,27,135	1,75,78,207	66,42,232	3,60,63,110	6,23,92,466
	(8,32,07,478)	*(2,96,17,454)*	*(3,15,73,477)*	*(8,12,51,455)*	*(4,12,68,179)*	*(1,53,74,582)*	*(3,15,15,626)*	*(2,51,27,135)*	*(5,61,24,320)*
Vehicles	4,90,47,912	1,26,00,260	-	6,16,48,172	83,46,561	97,17,851	—	1,80,64,412	4,35,83,760
	(2,58,69,187)	*(2,45,32,680)*	*(13,53,955)*	*(4,90,47,912)*	*(5,02,247)*	*(90,25,937)*	*(11,81,623)*	*(83,46,561)*	*(4,07,01,351)*
Total Property, plant and equipment	**326,70,19,353**	**86,04,06,508**	**5,14,47,086**	**407,59,78,775**	**86,05,10,025**	**25,88,54,463**	**5,04,82,298**	**106,88,82,190**	**300,70,96,585**
	(277,23,85,577)	*(62,17,83,499)*	*(12,71,49,723)*	*(326,70,19,353)*	*(74,79,47,847)*	*(23,66,28,859)*	*(12,40,66,681)*	*(86,05,10,025)*	*(240,65,09,328)*
1(b). Intangible Assets									
Development of Mines	2,88,33,293	—	—	2,88,33,293	2,22,35,457	44,47,091	—	2,66,82,548	21,50,745
	(2,88,33,293)	—	—	*(2,88,33,293)*	*(1,77,88,365)*	*(44,47,092)*	—	*(2,22,35,457)*	*(65,97,836)*
Software	5,77,52,382	84,97,800	—	6,62,50,182	2,99,70,705	66,20,189	—	3,65,90,894	2,96,59,288
	(4,31,23,731)	*(146,28,651)*	—	*(5,77,52,382)*	*(2,14,87,842)*	*(84,82,863)*	—	*(2,99,70,705)*	*(2,77,81,677)*
Total Intangible Assets	**8,65,85,675**	**84,97,800**	**—**	**9,50,83,475**	**5,22,06,162**	**1,10,67,280**	**-**	**6,32,73,442**	**3,18,10,033**
	(7,19,57,024)	*(146,28,651)*	—	*(8,65,85,675)*	*(3,92,76,207)*	*(1,29,29,955)*	—	*(5,22,06,162)*	*(3,43,79,513)*
Total (a+b)	**335,36,05,028**	**86,89,04,308**	**5,14,47,086**	**417,10,62,250**	**91,27,16,187**	**26,99,21,743**	**5,04,82,298**	**113,21,55,632**	**303,89,06,618**
As at 31 March 2020	*(284,43,42,601)*	*(63,64,12,150)*	*(12,71,49,723)*	*(335,36,05,028)*	*(78,72,24,054)*	*(24,95,58,814)*	*(12,40,66,681)*	*(91,27,16,187)*	*(244,08,88,841)*
1(c). Capital work in progress									
Buildings, Plant and Machinery, etc.	**69,35,32,740**	**124,70,35,640**	**86,89,04,308**	**107,16,64,072**	**—**	**—**	**—**	**—**	**107,16,64,072**
	(19,14,80,946)	*(113,84,63,944)*	*(63,64,12,150)*	*(69,35,32,740)*	—	—	—	—	*(69,35,32,740)*
Total Assets									**411,05,70,690**
									(313,44,21,581)

Note: (i) Figures in brackets relate to the previous year.

(ii) Development of mines represent expenditure incurred in relation to restoration obligations as per applicable regulations and the same has been amortised over the period of lease.

(iii) No indicator of impairment were identified during the current year, hence Property, Plant and Equipment including Capital Work in Progress were not tested for impairment.

(iv) Property, Plant and Equipment including Capital Work in Progress have been hypothecated as security against certain bank borrowings (Refer Note 12).

(v) Rs. 5,16,98,866 (Previous year -Rs. 2,41,75,505) of borrowing costs has been capitalised during the year on qualifying assets under additions to Capital Work in Progress using a capitalisation rate of 7.40% (previous year -8.50%)

(vi) Additions to Capital Work in Progress includes finished goods issued for capital projects amounting to Rs. 2,80,80,836 (Previous year -Rs. 4,08,57,115).

(vii) Buildings and Roads, closing gross block Rs. 35,49,60,416 (Previous year - Rs. 17,95,61,240) and net carrying value Rs. 33,93,55,000 (Previous year - Rs. 16,84,69,320) include buildings leased out to employees for residential purposes.

(viii) Incentives amounting to Rs.11,92,53,864 (Previous year - Rs. 1,53,67,107) on account of Export Promotion Capital Goods scheme is adjusted in additions to Capital Work in Progress.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

	No. of equity shares	As at 31 March 2021 ₹	As at 31 March 2020 ₹
NOTE: 02 Equity accounted investments			
Non-Current			
Investments in Associate Companies			
a) TRL Krosaki Asia Pte Limited (Face value of SG$ 1 each, fully paid-up)	48,07,584	24,71,96,840	24,71,96,840
Add: Accumulated Profit		5,31,17,448	13,54,44,114
Less: Dividend received		2,06,51,141	—
Carrying amount of Investment		**27,96,63,147**	**38,26,40,954**
b) Almora Magnesite Limited	77,990	77,99,000	77,99,000
Original cost of investment (Face value of ₹ 100 each, fully paid-up)			
Add: Accumulated Profit		1,62,22,861	1,92,52,375
Carrying amount of Investment		**2,40,21,861**	**2,70,51,375**
Total Equity accounted investments		**30,36,85,008**	**40,96,92,329**
Aggregate carrying value of unquoted investments		**30,36,85,008**	**40,96,92,329**

	No. of equity shares	As at 31 March 2021 ₹	As at 31 March 2020 ₹
NOTE: 03 Investments			
Non-Current			
a) Investment designated at fair value through Other Comprehensive Income			
Investment in Equity Instrument (Quoted)			
HDFC Bank Limited (Fair Value) (Face Value of ₹ 1 each fully paid up)	10,000	1,49,36,500	86,19,000
b) Investment in Equity Instrument (Unquoted)			
Tata Construction and Projects Limited*	1,44,202	18,42,020	18,42,020
(Face Value of ₹ 10 each fully paid up) Less: impairment in value of investment		(18,42,020)	(18,42,020)
*Company is in liquidation			
Total Investments		**1,49,36,500**	**86,19,000**
Aggregate carrying value and market value of quoted investments are as below:			
Carrying value		1,49,36,500	86,19,000
Market Value		1,49,36,500	86,19,000
Aggregate amount of impairment in value of investment		**18,42,020**	**18,42,020**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

04 Loans

	As at 31 March 2021 ₹			As at 31 March 2020 ₹		
Unsecured, considered good	Non-current	Current	Total	Non-current	Current	Total
(a) Security deposits	4,45,14,859	1,69,88,353	6,15,03,212	4,48,28,755	2,08,71,191	6,56,99,946
(b) Loans to employees	76,09,316	71,40,665	1,47,49,981	1,44,47,051	89,02,434	2,33,49,485
Total Loans	**5,21,24,175**	**2,41,29,018**	**7,62,53,193**	**5,92,75,806**	**2,97,73,625**	**8,90,49,431**

05 Other financial assets

	As at 31 March 2021 ₹			As at 31 March 2020 ₹		
Unsecured, considered good	Non–current	Current	Total	Non–current	Current	Total
(a) Interest accrued on deposits	—	20,27,414	20,27,414	23,92,625	27,49,667	51,42,292
(b) Earmarked balance with bank	—	—	—	3,22,61,298	—	3,22,61,298
Total Other financial assets	**—**	**20,27,414**	**20,27,414**	**3,46,53,923**	**27,49,667**	**3,74,03,590**

Earmarked balance with bank represent deposits not due for realisation within 12 months from the balance sheet date. These are primarily placed as margin money against issue of bank guarantees.

06 Other assets

	As at 31 March 2021 ₹			As at 31 March 2020 ₹		
Unsecured, considered good unless otherwise stated	Non current	Current	Total	Non current	Current	Total
(a) Capital advances	4,33,44,640	—	4,33,44,640	10,54,04,575	—	10,54,04,575
(b) Advance with public bodies *	20,98,42,502	22,39,27,934	43,37,70,436	18,60,48,112	37,74,00,835	56,34,48,947
(c) Other advances (Unsecured, considered good)**	48,41,559	8,96,52,227	9,44,93,786	65,07,188	11,95,75,391	12,60,82,579
(d) Other advances (Unsecured, considered doubtful)	1,03,10,919	—	1,03,10,919	1,03,13,821	—	1,03,13,821
Other assets	**26,83,39,620**	**31,35,80,161**	**58,19,19,781**	**30,82,73,696**	**49,69,76,226**	**80,52,49,922**
Less: Allowances for doubtful advances	**1,03,10,919**	**—**	**1,03,10,919**	**1,03,13,821**	**—**	**1,03,13,821**
Total Other assets	**25,80,28,701**	**31,35,80,161**	**57,16,08,862**	**29,79,59,875**	**49,69,76,226**	**79,49,36,101**

* Advance with public bodies primarily relate to Goods and Services Tax (GST) input credit, duty credit entitlements and amounts paid under protest in respect of demands from regulatory authorities.

** Other advances include advances against supply of goods and services and advances paid to employees.

07 Inventories

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
(a) Raw materials	218,91,82,844	162,72,21,090
(b) Work-in-progress	22,25,18,116	21,85,48,381
(c) Finished goods	73,86,34,878	94,26,03,505
(d) Stock-in-trade	15,84,63,216	11,63,80,899
(e) Stores and spares	17,99,29,970	17,01,70,263
(f) Loose tools	45,15,797	43,05,075
(g) Fuel	7,27,83,031	6,09,33,224
Total Inventories	**356,60,27,852**	**314,01,62,437**

The value of inventories stated above is after adjustment of Rs. 1,37,79,443 (Previous year - Rs . 1,62,72,698) for write-downs to net realisable value and provision for slow moving and obsolete item is Rs. 50,78,852 (Previous year - Rs. 58,57,547).

Finish goods above Includes goods in transit of Rs. 8,88,31,627 (Previous year - Rs. 3,27,23,293)

The inventories have been hypothecated as security against certain bank borrowings (Refer Note-12)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

08 Trade receivables

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Unsecured		
(a) Unsecured, considered good	252,08,77,052	290,20,60,502
(b) Credit Impaired	43,22,265	1,00,90,265
	252,51,99,317	**291,21,50,767**
Less: Allowance for credit losses	15,36,93,680	16,99,68,529
Total Trade receivables	**237,15,05,637**	**274,21,82,238**

There are no receivables which have significant increase in credit risk.

There are no receivables which have significant increase in credit risk.

The Company's exposure to customers contributing more than 10% of the outstanding receivables as at March 31, 2021 is Rs. 84,73,37,367 (Previous year - Rs. 100,89,99,537)

The trade receivables from related parties amounting to Rs. 25,84,66,176 (Previous year - Rs. 25,27,93,002) are included in trade receivables. [Refer Note 39 (b)]

There are no outstanding debts due from directors or other officers of the Company.

Trade receivables have been hypothecated as security against certain bank borrowings (Refer Note 12)

The details of movement in allowances for credit losses are as below:

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Balance at the beginning of the year	16,99,68,529	17,08,71,881
Additions during the year	—	2,05,06,040
Amount utilised during the year	(1,62,74,849)	(2,14,09,392)
Balance at the end of the year	**15,36,93,680**	**16,99,68,529**

09 Cash and cash equivalents

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
(a) Cash on hand	2,08,077	2,19,761
(b) Cheques on hand	—	7,794
(c) Balances with banks	1,29,14,742	75,08,595
Total Cash and cash equivalents	**1,31,22,819**	**77,36,150**

10 Other balances with bank

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
(a) Fixed deposits held as margin money *	—	18,31,587
(b) Unclaimed dividend**	10,694	24,566
Total Other balances with Bank	**10,694**	**18,56,153**

* Fixed deposits held as margin money against issue of bank guarantees.

** Not available for use of the Company.

11 Equity Share Capital

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Authorised :		
2,50,00,000 Equity Shares of ₹10 each (Previous year: 2,50,00,000 Equity Shares of ₹ 10 each)	25,00,00,000	25,00,00,000
	25,00,00,000	**25,00,00,000**
Issued, Subscribed and Fully Paid-up:		
2,09,00,000 Equity Shares of ₹ 10 each (Previous year: 2,09,00,000 Equity Shares of ₹ 10 each)	20,90,00,000	20,90,00,000
Total Equity Share Capital	**20,90,00,000**	**20,90,00,000**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

11 Equity Share Capital (Cont.)

a) Rights, preference and restrictions attached to equity shares

i) The Company has only one class of shares referred to as equity shares having par value of ₹ 10 each. Holder of equity shares is entitled to one vote per share.

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

b) Reconciliation of Share Capital	As at 31 March 2021 Number	As at 31 March 2020 Number	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Opening Balance	2,09,00,000	2,09,00,000	20,90,00,000	20,90,00,000
Closing Balance	**2,09,00,000**	**2,09,00,000**	**20,90,00,000**	**20,90,00,000**

c) Shares held by holding company	As at 31 March 2021 Number	As at 31 March 2020 Number	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Krosaki Harima Corporation- Japan				
Opening Balance	1,62,22,864	1,62,22,864	16,22,28,640	16,22,28,640
Closing Balance	**1,62,22,864**	**1,62,22,864**	**16,22,28,640**	**16,22,28,640**

d) Details of shareholders holding more than 5% shares in the Company is as below:

Name of the Share holders	As at 31 March 2021		As at 31 March 2020	
	Number of Shares held	% of holding	Number of Shares held	% of holding
Krosaki Harima Corporation- Japan (Holding company)	1,62,22,864	77.62	1,62,22,864	77.62
Steel Authority of India Limited	22,03,150	10.54	22,03,150	10.54

e) Other Equity

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
1) Retained earnings		
Balance at the beginning of the year	261,32,27,810	188,72,15,205
Profit for the year	35,71,05,888	105,37,16,792
Dividend (Including dividend distribution tax)	(30,30,50,000)	(30,73,91,889)
Remeasurement loss on defined benefit plans	(3,18,83,563)	(2,03,12,298)
Balance at the end of the year	**263,54,00,135**	**261,32,27,810**
2) General Reserve		
Balance at the beginning of the year	142,49,94,100	142,49,94,100
Balance at the end of the year	**142,49,94,100**	**142,49,94,100**
3) Securities premium :		
Balance at the beginning of the year	75,73,04,560	75,73,04,560
Balance at the end of the year	**75,73,04,560**	**75,73,04,560**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

11 Equity Share Capital (Contnd.)

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
4) Investment revaluation reserve:		
The details of movement in investment revaluation reserve are as below:		
Balance at the beginning of the year	11,75,44,265	12,05,19,765
Other comprehensive income / (loss) recognised during the year	63,17,500	(29,75,500)
Balance at the end of the year	**12,38,61,765**	**11,75,44,265**
5) Dividends		
The following dividends were declared and paid by the Company during the year		
Rs. 14.50 per equity shares (Previous period - Rs 12.20 per share)	30,30,50,000	25,49,80,000
Dividend distribution tax (DDT) on dividend to equity shareholders	—	5,24,11,889
	30,30,50,000	**30,73,91,889**

After the reporting dates the following dividends (excluding dividend distribution tax) were proposed by the board of directors subject to the approval by the shareholders at the annual general meeting.

Rs. 6.40 per equity shares (Previous year: Rs 14.50)	**13,37,60,000**	**30,30,50,000**

6) Remeasurement on defined benefit plans

Remeasurement gain/ (loss) on defined benefit plans includes actuarial gain / (loss) arising on defined benefit plans of Company (net of taxes).

12 Borrowings

₹

	As at 31 March 2021 Non-Current	As at 31 March 2021 Current maturities of Long-term	As at 31 March 2021 Current	As at 31 March 2021 Total	As at 31 March 2020 Non-Current	As at 31 March 2020 Current maturities of Long-term	As at 31 March 2020 Current	As at 31 March 2020 Total
A. Secured Borrowings								
(a) Term Loan*								
From Bank	101,42,76,750	33,80,92,250	—	135,23,69,000	87,17,20,000	—	—	87,17,20,000
(b) Loan from Banks**								
(i) Working Capital Demand Loans (repayable on demand)	—	—	24,00,00,000	24,00,00,000	—	—	18,00,00,000	18,00,00,000
(ii) Cash Credit (repayable on demand)	—	—	11,95,81,960	11,95,81,960	—	—	14,43,38,227	14,43,38,227
(iii) Packing Credits	—	—	28,05,09,445	28,05,09,445	—	—	54,65,34,504	54,65,34,504
Total Secured Borrowings	**101,42,76,750**	**33,80,92,250**	**64,00,91,405**	**199,24,60,405**	**87,17,20,000**	**—**	**87,08,72,731**	**174,25,92,731**
B. Unsecured Borrowings								
(a) Loan from banks								
(i) Working Capital Demand Loans (repayable on demand)	—	—	10,00,00,000	10,00,00,000	—	—	40,00,00,000	40,00,00,000
(ii) Packing Credits	—	—	—	—	—	—	91,01,042	91,01,042
(b) Loan from Related Party	—	—	—	—	—	—	17,99,86,223	17,99,86,223
Total Unsecured Borrowings	**—**	**—**	**10,00,00,000**	**10,00,00,000**	**—**	**—**	**58,90,87,265**	**58,90,87,265**
Total Borrowings	**101,42,76,750**	**33,80,92,250**	**74,00,91,405**	**209,24,60,405**	**87,17,20,000**	**—**	**145,99,59,996**	**233,16,79,996**

*** Term Loan from State Bank of India - SME Branch, Rourkela**

Secured by first charge over the proposed fixed assets of the Company for which term loan is taken and first pari-passu charge on existing fixed assets including factory land and building.

Term loan is repayable in 16 quarterly installments, starting from June 2021 and last installment in March 2025. Interest is paid as and when due for payment.

**** Current Borrowings**

Secured by hypothecation of stock of raw materials, stores and consumables, stock-in-process, finished goods, receivables and other current assets, both present and future, by way of pari-passu first charge and second charge over property, plant and equipment.

Packing credits are repayable within maximum tenure of 180 days.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

13 Trade Payables

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
(a) **Total outstanding dues of micro enterprises and small enterprises**		
Creditors for supplies of micro and small enterprises	2,62,48,180	2,78,13,667

* The amounts due to Micro and Small Enterprises, as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)", have been determined to the extent that such parties have been identified on the basis of information available with the Company. The details are tabulated below:

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
1. The principal amount remaining unpaid to supplier as at the end of the year	–	–
2. The interest due thereon remaining unpaid to suppliers as at the end of the year	–	–
3. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	–	–
4. The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	–	–
5. The amount of interest accrued and remaining unpaid at the end of each accounting year	–	–
6. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	–	–
(b) **Total outstanding dues of creditors other than micro enterprises and small enterprises**		
(i) Creditors for supplies / services other than micro and small enterprises	246,92,59,934	190,17,16,100
(ii) Creditors for accrued wages and salaries	14,12,39,024	8,81,37,955
(iii) Acceptances	24,49,20,224	13,28,06,281
Total dues of creditors other than micro enterprises and small enterprises	**285,54,19,182**	**212,26,60,336**

14 Other financial liabilities

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
(a) Current maturities of long-term debt	33,80,92,250	—
(b) Interest accrued and due on borrowings	—	72,71,116
(c) Interest accrued but not due on borrowings	91,74,431	9,42,591
(d) Unpaid dividend	10,694	24,566
(e) Derivative liabilities	17,47,778	35,23,863
(f) Creditors for capital goods	21,95,39,086	7,63,47,766
Total Other financial liabilities	**56,85,64,239**	**8,81,09,902**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

15 Provisions

	As at 31 March 2021			As at 31 March 2020		
	Non current	Current	Total	Non current	Current	Total
	₹	₹	₹	₹	₹	₹
(a) Provision for employee benefits*	23,10,38,954	7,91,25,483	31,01,64,437	18,83,13,935	8,05,44,978	26,88,58,913
(b) Provision for retirement benefits [Refer Note 31(2)]	18,17,72,982	78,07,000	18,95,79,982	13,36,21,659	76,17,976	14,12,39,635
(c) Provision for employee separation compensation	2,99,625	5,07,473	8,07,098	7,87,682	8,06,325	15,94,007
(d) Other provisions**	63,22,699	—	63,22,699	63,22,699	—	63,22,699
Total Provisions	**41,94,34,260**	**8,74,39,956**	**50,68,74,216**	**32,90,45,975**	**8,89,69,279**	**41,80,15,254**

* Provision for employee benefits includes provision for compensated absence, bonus and employee incentives.

** Other provisions include provisions for Octroi, holding tax, license fees and water cess.

The details of movement in other provisions is as below:

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Balance at the beginning of the year	**63,22,699**	**95,14,580**
Provision recognised during the year	—	31,91,850
Amount utilised during the year	—	63,83,731
Balance at the end of the year	**63,22,699**	**63,22,699**

16 Other Liabilities

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
(a) Advances received from customers	3,60,61,742	8,25,10,876
(b) Advance against sale of land	2,74,18,392	4,75,00,000
(c) Employee recoveries and employer contributions	64,42,251	93,10,284
(d) Statutory dues *	3,47,97,733	18,12,49,336
Total Other liabilities	**10,47,20,118**	**32,05,70,496**

*Statutory dues primarily include payables in respect of Goods and Services Tax (GST) and tax deducted at source (TDS).

17 Revenue from Operations

	April 2020 to March 2021	April 2019 to March 2020
(a) Sale of products	1279,00,53,784	1457,40,67,660
(b) Income from sale of services	131,48,43,138	173,24,85,719
(c) Other operating revenue *	13,43,80,342	22,26,07,135
Total Revenue from operations	**1423,92,77,264**	**1652,91,60,514**

* Includes export incentives of Rs.5,75,22,600 (Previous year Rs.10,90,43,182) on account of Duty Draw Back and Merchandise Export from India Scheme.

18 Other income

	April 2020 to March 2021	April 2019 to March 2020
(a) Dividend income	—	1,00,000
(b) Net gain on sale of property, plant and equipment	30,17,410	15,40,789
(c) Interest income	3,43,79,888	68,11,998
Total Other income	**3,73,97,298**	**84,52,787**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

19 Exceptional item

	April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
Sale of assets held-for-sale	13,77,34,580	—
Less: Cost of assets held-for-sale	5,83,92,785	—
Less: Cost incurred for sale of assets held-for-sale	5,44,170	—
Total Exceptional Item	**7,87,97,625**	**—**

In the current year, the Company has sold land situated at Vizag and a profit of Rs. 7,87,97,625 arising from sale of such land has been shown as exceptional item.

20 Cost of materials consumed

Opening stock	162,72,21,090	219,55,23,852
Add: Purchases	673,89,57,092	659,99,97,540
	836,61,78,182	879,55,21,392
Less: Closing stock	218,91,82,844	162,72,21,090
Total cost of materials consumed	**617,69,95,338**	**716,83,00,302**

21 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Inventories at the end of the year		
Finished goods	73,86,34,878	94,26,03,505
Stock-in-trade	15,84,63,216	11,63,80,899
Work-in-progress	22,25,18,116	21,85,48,381
Total Inventories at the end of the year	**111,96,16,210**	**127,75,32,785**
Inventories at the beginning of the year		
Finished goods	94,26,03,505	76,76,72,374
Stock-in-trade	11,63,80,899	18,54,42,095
Work-in-progress	21,85,48,381	24,04,39,963
Total Inventories at the beginning of the year	**127,75,32,785**	**119,35,54,432**
Changes in stock of finished goods, stock-in-trade and work-in-progress	**(15,79,16,575)**	**8,39,78,353**
Add: Finished goods issued for capital projects reclassified to Capital work-in-progress	2,80,80,836	4,08,57,115
Total Changes in stock of finished goods, stock-in-trade and work-in-progress	**(12,98,35,739)**	**12,48,35,468**

22 Employee benefits expenses

(a) Salaries, wages and bonus	113,85,54,006	106,82,26,726
(b) Employee separation compensation	—	3,59,844
(c) Contribution to provident and other funds	11,54,23,232	11,25,61,210
(d) Staff welfare expenses	5,22,37,034	7,53,91,935
Total Employee benefits expenses	**130,62,14,272**	**125,65,39,715**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

23 Finance costs

	April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
(a) Interest expense		
(1) Interest on fixed loans	13,12,35,410	11,42,46,888
(2) Interest on other loans	2,85,54,262	5,91,19,679
(3) Interest on lease liabilities	1,38,52,087	1,39,13,938
(b) Other borrowing costs	22,17,500	24,16,583
Less: Interest capitalised	5,16,98,866	2,41,75,505
Total Finance costs	**12,41,60,393**	**16,55,21,583**

24. Other expenses

	April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
(a) Stores and spares consumed	26,53,27,659	31,95,69,970
(b) Repairs to buildings	24,16,59,370	22,57,09,879
(c) Repairs to machinery	28,67,20,831	29,76,22,815
(d) Contractors charges for refractories management	30,34,57,718	27,76,52,155
(e) Fuel consumed	74,10,46,379	83,72,69,213
(f) Purchase of power	23,10,70,783	23,46,38,780
(g) Conversion and processing charges	19,78,91,550	23,17,31,893
(h) Freight and handling charges	87,70,31,114	80,96,59,876
(i) Rent	3,78,26,806	3,82,72,660
(j) Royalty	6,41,29,414	9,19,00,692
(k) Rates and taxes	1,65,97,342	1,83,09,941
(l) Insurance charges	2,11,11,830	94,78,906
(m) Commission expenses	8,05,62,971	12,08,69,635
(n) Net loss on foreign currency transactions	69,77,165	5,95,10,511
(o) Legal and other professional costs	14,57,37,044	15,09,95,603
(p) Travelling expenses	3,95,75,681	16,16,27,530
(q) Others (Refer note below)	12,03,54,881	14,38,46,294
Total Other expenses	**367,70,78,538**	**402,86,66,353**

Note:

Others includes:

	April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
(i) Payment to Auditors :		
a) Services as Auditors (including for audit in terms of Section 44AB of the Income Tax Act,1961 Rs. 3,00,000 [(Previous Year Rs. 2,00,000)]	32,50,000	25,00,000
b) Fees for other services	14,32,500	3,50,000
c) Out-of pocket expenses	1,17,095	1,33,912
	47,99,595	**29,83,912**
(ii) Cost audit fees [Including expenses Rs. 3,000 (Previous year: Rs. 12,773)]	1,28,000	1,22,773

(iii) Revenue expenditure charged to statement of profit and loss in respect of Corporate Social Responsibility (CSR) activities undertaken during the year is Rs. 2,24,36,814 [Previous year: Rs. 1,75,12,523].

(iv) Property, plant and equipment amounting to Rs. Nil written off during the year (Previous year: Rs. 22,67,695).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Note 25: ACCOUNTING POLICIES

1) Company Information

TRL Krosaki Refractories Limited ("the Company") is a public limited company incorporated in India with its registered office situated at Belpahar, Jharsuguda District, Odisha, India.

The Company is primarily engaged in the business of manufacturing of wide range of refractories like Basic, Dolomite, High Alumina, Monolithic, Silica, Flow Control and Tap Hole Clay and providing refractories engineering and management services.

The financial statements as at 31 March 2021 present the financial position of the Company.

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

The consolidated financial statements as at March 31, 2021 present the financial position of the Company as well as its interests in associate companies using equity method.

As at 31 March 2021, Krosaki Harima Corporation owns 77.62% of the equity shares of the Company and has the ability to influence the Company's operations. Nippon Steel Corporation (Formerly known as Nippon Steel & Sumitomo Metal Corporation) is having significant influence over the Krosaki Harima Corporation.

The list of Associates, which are included in the consolidation and the Company's holding therein are as under:

Particulars	Ownership in %		Country of Incorporation
	As at March 31, 2021	As at March 31, 2020	
Almora Magnesite Limited	38.995%	38.995%	India
TRL Krosaki Asia Pte. Ltd.	37%	37%	Singapore

2) Significant Accounting Policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

a) Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS ") as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, and other provisions of the Act , as amended from time to time.

The financial statements of the Company for the year ended 31 March 2021 were approved for issue in accordance with the resolution of the Board of Directors on 27th April,2021.

b) Basis of Preparation

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.

c) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and the Company's share of profits / losses of associates that are consolidated using the equity method of consolidation. Unrealised gains from the transaction with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee.

d) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgments, 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in the estimates are made as management becomes aware of such changes. The changes in estimates are recognised in the period in which the estimates are revised.

Significant judgements and estimates relate to the following-

I. carrying values of assets and liabilities include useful lives of tangible and intangible assets;

ii. provision for employee benefits and other provisions; and

iii. commitments and contingencies and measurement of fair values.

iv. Valuation of deferred tax assets / liabilities

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Estimation uncertainty relating to the global health pandemic on COVID-I9

In assessing the recoverability of receivables, assets, intangible assets, and certain investments, the Company has considered internal and external information upto the date of approval of these consolidated financial statements. The Company has performed analysis and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The Company on the basis of its assessment believes that the probability of the occurrence of its forecasted transactions has not impacted significantly by COVID-19 pandemic. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The impact of the global health pandemic may be different from that estimated as at the date of approval of these consolidated financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Impact of the Code on Social Security, 2020

The Code on Social Security,2020 ('Code') relating to employee benefit during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13,2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the code becomes effective.

e) Property, plant and equipment

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the Statement of Profit and Loss, as incurred. When a replacement occurs, the carrying amount of the replaced part is de- recognised.

Property, plant and equipment are stated at cost/deemed cost, less accumulated depreciation and impairment, if any. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as a part of cost of qualifying asset. Deemed cost represents the carrying value of the property, plant and equipment recognized as at 1 April 2015 measured as per the previous GAAP.

The gain or loss arising on disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying value of such item and is recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital Work-in-Progress".

f) Intangible assets

Cost incurred for Development of mines and software are recognized in the Balance Sheet as intangible assets when it is probable that associated future economic benefits would flow to the company and its cost can be measured reliably. These are initially measured at purchase cost and then amortised on a straight -line basis over their estimated useful lives. All other costs on development of mines and software are expensed in the Statement of Profit and Loss as and when incurred.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

g) Depreciation and amortisation of property, plant and equipment and intangible assets

DDepreciation or amortisation is provided under the straight line method, based on the estimated useful life, as determined by technical evaluation of the useful life of the assets, in terms of Schedule II to the Companies Act, 2013.

Assets individually costing up to Rs.25,000 are fully depreciated or amortized in the year of acquisition.

Freehold Land is not depreciated.

The charge of depreciation or amortization commences from the date the assets are available for their intended use. Depreciation on assets under construction commences only when the assets are ready for their intended use. No further charge is provided in respect of assets that are fully written down but are still in use.

The estimated useful lives of assets and residual values are reviewed periodically and, adjusted if appropriate at the end of reporting period.

As the estimated useful life of some of the assets is significantly different from the useful life given in the Schedule II to Companies Act, 2013, the useful life of the assets has been assessed based on the number of years for which the assets have already been put to use and the estimated minimum balance period for which the assets can be used in the Company. The residual values are not more than 5% of the original cost of the asset.

The estimated useful lives for the main categories of property, plant and equipment and other intangible assets are:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Sl No	Class of Assets	Estimated Useful Life (in years)
I	**Buildings and Roads**	
	Roads	10
	Factory Buildings and Reservoir	30
	Other Buildings (RCC Structure)	60
II	**Plant and Machinery**	
	Grinder	8 to 15
	Mixture, Press Drying Chambers, Shuttle Kiln	10 to 15
	Gas Producer, Kiln and Shaft Kiln	25*
	Kiln Car	10*
	Workshop Equipment	10 to 15*
	Research and development equipment	10
	Gunning Machine, Mixture Machine and other equipment used at Customer site.	5 to 8*
	Other Equipment	5 to 15*
III	**Railway Siding**	**15**
IV	**Furniture and Fixture and Office Equipment**	
	Furniture fittings, office equipment, computer, cinema and audio-visual equipment	5*
	Hospital, canteen equipment, electric fittings	10*
V	**Vehicles**	
	Motor car, Jeep, motorcycle	5*
	Motor Lorry and mobile equipment	8
VI	**Intangible Assets**	
	Software	10*
	Development of mines	10 years or lease period whichever is less

*For these class of assets, based on internal assessment and technical evaluation carried out by the technical expert, the Company believes that the useful lives as given above best represents the period over which the Company expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under part C of Schedule II of the Companies Act,2013.

h) Impairment:

At each Balance Sheet date, the Company reviews the carrying value of its property, plant and equipment and intangible asset 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 of an asset (or a cash generating unit) is the higher of fair value less costs to sell and its 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 recognized in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

An impairment loss recognized in prior accounting periods is reviewed at each Balance Sheet date to assess whether there is any indication that the impairment loss recognized may no longer exist or may be decreased.

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.

I) Leases

The Company as a lessee.

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease ,the Company recognizes a right-of-use asset (ROU) and a corresponding equal lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the weighted average incremental borrowing rate of the company. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor.

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

j) Equity accounted investments :

The Company's interest in equity accounted investments comprises interest in associates.

An associate is an entity in which Company has significant influence, but not control over the financial and operating policies.

Interest in associates are accounted for using the equity method. They are initially recognised at cost / deemed costs. Subsequent to initially recognition the consolidated financial statements include the Company's share of profit or loss and OCI of equity accounted investments until the date on which significant influences ceases. When dividend is declared and received it is adjusted in the carrying amount of investments.

Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required, immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

k) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

i. Financial assets

Cash and bank balances

Cash and bank balances consist of:

Cash and cash equivalents - which includes cash in hand, cheques in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than 3 months from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Other balances with bank- which includes balances and deposits with banks having maturity of more than three months but less than 12 months and are restricted for withdrawal and usage.

Financial assets at amortised cost

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

Financial assets measured at fair value

Fassets are measured at fair value through other comprehensive income if both of the following conditions are met:

These financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through profit or loss.

The Company in respect of certain equity instruments which are not held for trading, has made an irrevocable election to present subsequent changes in the fair value of such equity instruments in other comprehensive income.

Impairment of financial assets

The Company recognises lifetime expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets (apart from trade receivables that do not constitute of financing transaction) whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised.

Loss allowance for financial asset measured at amortised cost is deducted from gross carrying amount of asset.

De-recognition of financial assets

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

ii. **Financial liabilities and equity instruments**

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

A financial liability is classified at fair value through profit and loss account, if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

Borrowings are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Company's accounting policy for borrowing costs.

Offsetting

Financial assets and financial liabilities are off set 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 release the asset and settle the liability simultaneously.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Derivative financial instruments and hedge accounting

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange. The instruments are confined principally to forward foreign exchange contracts.

Derivatives are initially accounted for and measured at fair value on the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

The fair values for forward currency contracts are marked to market at the end of each reporting period. The Company adopts hedge accounting for forward foreign exchange contracts wherever possible. At the inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item or transaction and the nature of the risk being hedged. At inception, each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the statement of profit and loss.

When hedge accounting is applied, the Company treats the hedge relationship in relation to foreign currency exposure as fair value hedges of recognised assets and liabilities. Changes in fair value of the hedged assets and liabilities, attributable to the risk being hedged, are recognised in the statement of profit and loss and compensate for the effective portion of the symmetrical changes in the fair value of the derivatives.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the Statement of Profit and Loss for the period.

l) Employee benefits

The Company's retirement benefit obligation are subject to a number of judgement including discount rates, inflation and salary growth. Significant judgement is required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Company's Balance Sheet and the statement of profit and loss. The Company sets these judgement based on previous experience and third party actuarial advice.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably.

Defined contribution plans

Payments to defined contribution plans such as Company's Provident Fund, Supper Annuation Fund, Employee Pension Scheme, Employee State Insurance Scheme and Her Majesty's Revenue and Customs, UK (HMRC) are charged as an expense as they fall due. Payments made to above schemes are dealt with as payments to defined contribution schemes, as the Company has no further defined benefit obligation beyond the monthly contribution except for the contribution to Provident Fund Trust which require that if the Board of the Trustee are unable to pay interest at the rate declared by the Government for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company, making the interest shortfall a defined benefit obligation.

Defined benefit plans

Post Retirement Gratuity

For post-retirement gratuity schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each year-end Balance Sheet date. Re-measurement gains and losses of the net defined benefit liability / (asset) are recognised immediately in Other Comprehensive Income. The service cost and net interest on the net defined benefit liability / (asset) is recognised as an expense within employment costs.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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

Post-Retirement Medical Benefit

The company has a policy to give medical benefit to the retired employees at its own hospital at Belpahar not exceeding the amount of expense defined in its medical policy. The obligation of this service is measured and recognized based on actuarial valuation at the present value of the obligation as on the reporting date. Re-measurement gains and losses of the net defined benefit liability / (asset) are recognised immediately in Other Comprehensive Income. The service cost and net interest on the net defined benefit liability / (asset) is recognised as an expense within employment costs.

Pension to Directors

Pension payable to directors after their retirement as per the contractual agreement are recognized based on actuarial valuation at the present value of the obligation as on the reporting date. Re-measurement gains and losses of the net defined benefit liability / (asset) are recognised immediately in Other Comprehensive Income. The service cost and net interest on the net defined benefit liability / (asset) is recognised as an expense within employment costs.

Other Long-term benefits

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized based on actuarial valuation at the present value of the obligation as on the reporting date. Re-measurement gains and losses of the compensated absence is recognised immediately in Statement of Profit and Loss.

Employee Separation Scheme

Compensation to employees who have opted for retirement under the Friendly Departure Scheme of the Company is charged off in the year in which the employee is relieved from the services of the Company.

m) Inventories

I. **Raw materials, Stores and Spares, Loose Tools and Fuel:**

Raw materials, stores and spares, loose tools and fuel are valued at weighted average cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Raw materials, stores and spares, loose tools and fuel held for use in the production of finished products are not written down below cost except in cases where material prices have declined or the cost of the finished products has exceeded its net realisable value.

ii. **Finished goods:** These are valued at lower of cost and net realisable value. Costs are calculated at full absorption cost basis which includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost of inventories is generally ascertained on weighted average basis.

iii. **Work in Progress:** These are valued at cost. Costs are calculated at full absorption cost basis which includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost of work in progress is generally ascertained on weighted average basis.

iv. **Stock-in-trade:** These are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs to completion and the estimated costs necessary to sell them.

Provisions are made for slow moving and obsolete items based on historical experience of utilization on a product category basis and ageing policy as defined by the Company.

n) Cash Flow Statement

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

o) Non-Current assets held for sale

Non-current assets or disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

The Company must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale are not depreciated or amortised.

p) Provisions (other than employee benefits) and contingent liabilities

Provisions are recognised in the Balance Sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

Constructive obligation is an obligation that derives from an entity's actions where:

I. by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities; and

ii. as a result, the entity has created a valid expectation on the part of those other parties that it will discharge such responsibilities.

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle an obligation or a reliable estimate of the amount cannot be made.

The Company does not recognise a Contingent Liability but discloses its existence in the Financial Statements.

q) Income taxes

Income tax comprises current and deferred tax. The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

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

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

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the Balance Sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of 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 recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the Statement of Profit and Loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

r) Revenue recognition

Effective 01 April 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers". The core principle of the new standard was that the revenue should be recognised when (or as) an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

The company derives revenue primarily from sale of refractories and installation & maintenance services. Revenue is recognised when the customer obtains the control of the goods & services as per the terms & condition of the contracts. Company determines at contract inception whether each performance obligation will be satisfied (i.e. Control will be transferred) over time or at a point in time.

- Revenue from material supply is recognised on transfer of control over the product.
- Revenues from service contracts is recognised on completion of performance obligation.

Interest Income

Interest income is accrued on a time proportion basis by reference to the principle outstanding and the effective interest rate applicable.

Dividend Income

Dividend income from investments is recognised when the right to receive payment has been established.

Rental Income

Rental income is recognised on a straight line basis over the term of the relevant arrangements.

Commission Income

Commission income is recognised when the services have been rendered.

Export incentives

Export incentives under the Duty Drawback Scheme are recognized on the basis of credits given in the bank or on receipt of duty credit scrips.

s) Government Grants

Government grants like export promotion capital goods (EPCG) related to expenditure on property, plant and equipment are deducted from the cost of the property, plant and equipment in calculating the carrying amount of the asset.

t) Foreign currency transactions and translation

The financial statements of the Company are presented in Indian Rupees (Rs), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the statement of profit and loss for the period.

Exchange differences arising on translation or settlement of long-term foreign currency monetary items is accounted in the statement of profit and loss for the period.

u) Borrowing Costs

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

v) Earnings per share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

26 Contingent Liabilities

Contingent liabilities in respect of -

		₹ As at 31 March 2021	As at 31 March 2020
Claims against the Company not acknowledged as debts in respect of -			
—	Income tax matters	71,35,757	20,59,59,575
—	Sales tax / value added tax / entry tax matters	9,11,91,837	10,26,09,485
—	Excise duty matters	9,43,62,291	4,70,65,166
—	Other matters	10,81,23,251	5,73,78,893

In respect of above, it is not practicable for the Company to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings.

In the ordinary course of business, the Company faces claims and assertions by various parties. The following is a description of claims and assertions where a potential loss is possible but not probable. There are claims which the Company does not believe to be of material nature, other than those described below:

Income Tax:

The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. These are mainly for transfer pricing issues and disallowance of expenses claimed by the Company as deductions. Most of these disputes and/or dis-allowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years. As at March 31, 2021, there are matters and/or disputes pending in appeal amounting to Rs. 71,35,757 (Previous Year - Rs. 20,59,59,575).

Sales tax /value added tax/ entry tax/ Excise duty matters

The Company has demands that are being contested by the Company in different years amounting to Rs. 18,55,54,128 (Previous Year - Rs. 14,96,74,651). These are mainly for non submission of concessional forms.

Demand by Mining Officer:

The Dy. Director Mines, Sambalpur circle, had raised a demand of Rs.5.39 Cr on 26.08.2019 for excess production of Quartzite in Chuinpalli mines and the Mining Officer, Cuttack circle has raised a demand for Rs.5.17 Cr on 15.09.2020 for excess production of fireclay in Talbasta mines, during the period from 2000 to 2010 under section 21(5) of MMDR Act, 1957, based on the common cause judgment dated 2nd August, 2017 of Hon'ble Supreme Court of India. The Company challenged the said demands of Mining Department, Govt. of Odisha through a two different Writ petitions against two notices before the Hon'ble High Court of Orissa, Cuttack. The Company is of the view that, the demand under Section 21(5) of the MMDR Act is not applicable because the impugned demand is based on the judgement of Hon'ble Supreme Court of India in the case of Common Cause vrs. Union of India reported in (2017) 9 SCC 499. The decision referred in the Supreme Court Order was intended to deal with mining leases of Iron Ore and Manganese Ore in the districts of Keonjhar, Sundergarh and Mayurbhanj and has no application to the facts of the case. Moreover, the mining officer has not conducted any enquiry on illegal mining of the Company. Based on the legal opinion obtained by the Company and as per the management assessment, the Company is of the view that it has a strong case to contest on merit and there will not be any outflow of resources by the Company. During the year the Hon'ble High Court of Odisha has disposed of the Writ Petition filed for Talbasta Mines for an amount of Rs.5.17 Cr with a direction to challenge the impugned demand notice as per Rule 46(1) of the Orissa Minor Mineral Concession Rules, 2016 and take all grounds before the appellate authority. Accordingly, Company has filed an appeal before Joint Director of Mines, Government of Odisha, Bhubaneswar under Rule 46(1) of Odisha Minor Mineral Concession Rules, 2016 and the matter is pending for hearing.

Other Claims

Other civil cases for which the Company may contingently be liable aggregate to Rs. 24,07,203 (Previous Year - Rs. 34,07,203).

27 Water Rate Dispute

The Company has been drawing water from Lilhari Nullha, a natural water stream. Up to 1994, as per the Orissa Irrigation Act, the water rate was payable for drawing water from irrigation work. Natural water streams like Lilhari Nullha were not covered in the definition of irrigation work, as given in Section 4(9) of the Act. Definition of 'government water source' was inserted in Section 4(6-a) of the Act in 1994, which covers natural water sources like Lilhari Nullha, and the Company has been paying water rate since then. However, the Government of Odisha demanded an amount of Rs. 57,77,600 towards water rate and penalty for the period prior to 1994 which has been stayed by the Hon'ble High Court of Odisha. Water Resources Department, Government of Odisha, has been charging monthly compounded interest @ 2% on the disputed amount and the total interest charged up to 31 March 2021 is Rs. 83,54,58,788. The total disputed demand, together with interest as on 31

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

March 2021 is Rs. 84,12,36,388. Hon'ble High Court of Odisha has stayed charging of monthly compound interest of 2% and passed an order that compound interest @ 2% will not be allowed to charge until further orders. During the previous year, the Hon'ble High Court of Odisha has directed the Government of Odisha and the Company to negotiate and settle the dispute inline with the settlements made by the Government of Odisha with other companies. Based on the legal opinion obtained by the Company and as per the management assessment, the Company is of the view that it has a strong case to contest on merit and there will not be any material outflow of resources by the Company.

28 Commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for, net of advances paid Rs. 38,43,75,737 (Previous Year - Rs. 95,37,77,114). Estimated amount of export obligations to be fulfilled in respect of assets imported under Export Promotion Capital Goods Scheme (EPCG) – Rs. 70,82,64,570 (Previous year-Rs. 9,22,02,642).

29 The Company is engaged in the business of manufacturing, trading and sale of a range of refractories and is having its manufacturing facilities located in India. The performance of the Company is assessed and reviewed by the Chief Operating Decision Maker ('CODM') as a single operating segment and accordingly manufacture and sale of refractories is the only operating segment.There is only one customer (Previous Year:One) contributing more than 10% of total revenues of the company amounting to Rs. 241,42,78,225 (Previous Year: Rs. 268,99,57,087). The Company is domiciled in India, however also sells its products outside India. Revenue from geographic segments based on location of customer is (a) Domestic Rs. 1183,32,05,134 (Previous Year: Rs 1326,11,36,854) and (b) Rest of the world: Rs. 240,60,72,130 (Previous Year: Rs. 326,80,23,660). Non-current assets from geographic segments based on location of customer is (a) Domestic Rs. 487,34,77,091 (Previous Year: Rs. 412,94,71,492) and (b) Rest of the world Nil : (Previous Year: Nil).

30 Company as a Lessee

Following are the changes in the carrying value of right-of-use assets for the year ended March 31, 2021.

		Buildings
Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Opening gross block	20,32,04,645	—
Reclassification ed on account of adoption of Ind AS 116 as at 1 April 2020	—	20,05,47,424
Additions	3,14,71,464	26,57,221
Deletion	1,41,56,842	—
Closing gross block at the end of the year	**22,05,19,267**	**20,32,04,645**
Opening accumulated depreciation	**1,87,11,055**	**—**
Additions	1,94,27,679	1,87,11,055
Deletion	35,46,330	—
Closing accumulated depreciation at the end of the year	**3,45,92,404**	**1,87,11,055**
Closing balance as of March 31,2021	**18,59,26,863**	**18,44,93,590**

The aggregate depreciation expense on right-of-use assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2021

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Current lease liabilities	1,20,66,541	99,51,139
Non-current lease liabilities	19,41,16,397	18,54,54,065
Total	**20,61,82,938**	**19,54,05,204**

The following is the movement in lease liabilities during the year ended March 31, 2021.

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Balance at the beginning of the year	19,54,05,204	—
Reclassified on account of adoption of Ind AS 116 as at April 1,2020	—	20,05,47,424
Additions	3,14,71,464	26,57,221
Finance cost accrued during the year	1,38,52,087	1,39,13,938
Deletion	1,11,34,838	—
Payment of lease liabilities	2,34,10,979	2,17,13,379
Balance at the end of the year	**20,61,82,938**	**19,54,05,204**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	2,58,68,121	2,35,02,793
One to five years	12,81,90,011	9,83,28,039
More than five years	15,49,82,179	18,64,68,628
Total	**30,90,40,311**	**30,82,99,460**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Company incurred Rs.3,78,26,806 (previous year Rs.3,82,72,660) towards expenses relating to short term leases and leases of low value assets.

The total cash outflow for leases is Rs. 6,12,37,785 (previous year Rs. 5,99,86,309) including cash outflow for short term and leases of low value assets.

Company as a Lessor

Company has leased out buildings to its employees and has also provided leased accommodation to its employees for residential purposes. There is no such long term contracts with employees for the above leasing. The total rental income with respect to above leasing activities amounts to Rs. 1,82,42,871 (previous year Rs.1,78,68,317) included in note 17(c).

31 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

32 Employee Benefits

The relevant details with respect to employee benefits are given here below:

(1) Defined Contribution Plan

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognized in relation to the schemes represents the value of contributions payable during the period by Company at rates specified by the rules of those plans.

a) Provident Fund and Employees Pension Fund

In accordance with the prevailing Indian law, eligible employees of the Company are entitled to receive benefits in respect of Provident Fund, a defined contribution plan, in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. As per the provisions of the Provident Fund and Miscellaneous Provisions Act, 1952 contribution to Provident Fund is made to an irrevocable trust set up by the Company and contribution to pension fund is deposited with the Regional Provident Fund Commissioner. The rules of the Company's provident fund administered by a trust, require that if the Board of the Trustee are unable to pay interest at the rate declared by the Government for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company, making the interest shortfall a defined benefit obligation.

b) Superannuation Fund

The Company has a superannuation plan. Employees who are members of the superannuation plan are entitled to benefits depending on the contribution made by Company and rate of interest declared by the superannuation trust. A separate irrevocable trust is maintained for employees covered and entitled for this benefit. The Company contributes 15% of basic salary, of the eligible employees' to the trust every year. Such contributions are recognized as an expense when incurred. The Company has no further obligation beyond this contribution.

c) Other funds

The Company contributes to the Employees State Insurance scheme as per the provisions of Employees State Insurance Act , 1948 and to Her Majesty's Revenue and Customs, UK as per provisions laid down by the UK Government for the social security and welfare of the employees.

d) Expenses recognized in respect of above

The Company has recognized, in the Statement of Profit and Loss account for the year ended 31 March 2021, an amount of Rs. 8,97,81,612 (Previous Year: Rs 9,05,82,210) being expenses under the defined contribution plans like Provident Fund, Superannuation fund, Employee pension scheme, Employee State Insurance Scheme and Her Majesty's Revenue and Customs (UK).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

(2) Defined Benefit Plans

The Company operates post retirement defined benefit plans as follows:

a) Funded

(i) Post Retirement Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides lump-sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

b) Unfunded:

(i) Post Retirement Medical Benefits

The Company has a Post-Retirement Medical Benefit Scheme (PRMB), under which the retired employees and their spouses are eligible for free medical benefits in the Company's hospital during their lifetime upto a ceiling fixed by the Company. The liability for the same is recognized annually on the basis of actuarial valuation.

(ii) Pension to Directors

The Company has Ex-MD Pension Scheme, under which the retired managing director gets a monthly pension. The liability for the same is recognized annually on the basis of actuarial valuation. The Company is exposed to the increase in the pension amount in each 3 years.

c) i) Details of the Post Retirement Gratuity plan are as follows:

		April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
I.	**Change in present value of defined benefit obligation during the year**		
1.	Present Value of defined benefit obligation as at the beginning of the year	33,43,03,407	30,45,52,567
2.	Current Service Cost	2,24,57,170	1,92,64,680
3.	Interest Cost on the defined benefit obligation	2,13,52,840	2,06,15,020
4.	Actuarial (gains)/ losses - Experience	1,52,84,110	(11,82,230)
5.	Actuarial losses - Financial Assumptions	2,35,86,690	1,64,69,260
6.	Benefits paid from plan assets	(3,28,97,622)	(2,54,15,890)
7.	Closing Present Value of defined benefit obligation	**38,40,86,595**	**33,43,03,407**
II.	**Change in fair value of plan assets during the year**		
1.	Fair Value of assets at the beginning of the year	31,24,01,294	27,67,78,084
2.	Interest Income on Plan Assets	2,10,29,210	2,10,39,100
3.	Employer contributions	2,00,00,000	4,00,00,000
4.	Return on plan assets greater than discount rate	(67,370)	—
5.	Benefits paid	(3,28,97,622)	(2,54,15,890)
6.	Fair Value of Plan assets at the end of current year	**32,04,65,512**	**31,24,01,294**
III.	**Net liability recognized in the balance sheet**		
1.	Fair value of plan assets	32,04,65,512	31,24,01,294
2.	Present value of obligation	38,40,86,595	33,43,03,407
3.	Amount recognized in the balance sheet	**6,36,21,083**	**2,19,02,113**
IV.	**Expense recognized in the statement of profit and loss for the year**		
1.	Current service cost	2,24,57,170	1,92,64,680
2.	Net interest on net defined benefit liability	3,23,630	(4,24,080)
3.	Total expenses included in employee benefits expense	**2,27,80,800**	**1,88,40,600**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

		April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
V.	**Recognized in other comprehensive income for the year**		
1.	Actuarial (gains)/ losses due to defined benefit obligation experience	1,52,84,110	(11,82,230)
2.	Actuarial loss due to defined benefit obligation financial assumption changes	2,35,86,690	1,64,69,260
3.	Return on plan assets greater than discount rate	67,370	—
4.	Actuarial loss recognized in other comprehensive income	**3,89,38,170**	**1,52,87,030**
VI.	**Maturity profile of defined benefit obligation**		
1.	Within the next 12 months (next annual reporting period)	3,41,70,720	3,44,08,170
2.	Between 2 and 5 years	16,68,26,460	12,29,96,770
3.	Between 6 and 10 years	18,64,04,260	18,94,51,600
VII.	**Quantitative sensitivity analysis for significant assumption is as below**		
1.	**Increase/ (decrease) on present value of defined benefits obligation at the end of the year**		
(i)	One percentage point increase in discount rate	(3,08,74,960)	(2,34,77,820)
(ii)	One percentage point decrease in discount rate	3,60,46,530	2,82,95,900
(i)	One percentage point increase in rate of salary increase	3,51,70,980	2,78,99,890
(ii)	One percentage point decrease in rate of salary increase	(3,07,56,950)	(2,35,96,130)

2. Sensitivity Analysis Method

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

VIII. Investment Details

The full amount has been invested in the Cash Accumulation Scheme of Life Insurance Corporation of India.

		April 2020 to March 2021	April 2019 to March 2020
IX.	**Assumptions**		
a.	Discount rate (per annum)	6.75%	7.50%
b.	Rate of escalation in salary (per annum)	7.50%	7.50%

ii) Details of non-funded post retirement defined benefit obligations are as follows:

Description	April 2020 - March 2021 ₹		April 2019 - April 2020 ₹	
	Medical	Ex-MD Pension	Medical	Ex-MD Pension
I Reconciliation of opening and closing balances of obligation				
1. Present Value of defined benefit obligation as at the beginning of the year	7,54,10,818	4,39,26,705	6,76,13,963	4,33,89,465
2. Current Service Cost	10,38,960	—	12,90,000	—
3. Interest Cost on the defined benefit obligation	50,25,650	28,60,820	48,86,080	31,38,400
4. Actuarial (gains)/ losses - Experience	(44,38,240)	(19,91,200)	8,81,250	(35,46,040)
5. Actuarial losses- Financial Assumptions	64,89,740	26,85,830	56,71,880	40,81,680
6. Benefits paid directly by the Company	(19,13,382)	(31,36,800)	(49,32,355)	(31,36,800)
7. Closing Present Value of defined benefit obligation	**8,16,13,546**	**4,43,45,355**	**7,54,10,818**	**4,39,26,705**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

Description	April 2020 - March 2021 ₹		April 2019 - April 2020 ₹	
	Medical	Ex-MD Pension	Medical	Ex-MD Pension
II. Expense recognized in the statement of profit and loss for the year				
1. Current service cost	10,38,960	—	12,90,000	—
2. Net interest on net defined benefit liability	50,25,650	28,60,820	48,86,080	31,38,400
3. Total expenses included in employee benefits expense	**60,64,610**	**28,60,820**	**61,76,080**	**31,38,400**
III. Recognized in other comprehensive income for the year				
1. Actuarial (gain)/ loss due to defined benefit obligation experience	(44,38,240)	(19,91,200)	8,81,250	(35,46,040)
2. Actuarial loss due to defined benefit obligation financial assumption changes	64,89,740	26,85,830	56,71,880	40,81,680
3. Actuarial (gains)/ losses recognized in other comprehensive income	20,51,500	6,94,630	65,53,130	5,35,640
IV. Assumptions				
a. Discount rate (per annum) at the beginning of the year	6.75%	6.75%	7.50%	7.50%
b. Discount rate (per annum) at the end of the year	6.00%	6.00%	6.75%	6.75%
c. Rate of pension increase	—	8.00%	—	8.00%
c. Medical costs inflation rate	4.00%	—	4.00%	—
d. Average Medical Cost (Rs./ person)	1,855	—	1,750	—
V. Quantitative sensitivity analysis for significant assumption is as below				
Increase/ (decrease) on present value of defined benefits obligation at the end of the year				
(I) One percentage point increase in discount rate	(84,51,480)	(35,21,610)	(73,91,700)	(34,83,500)
(ii) One percentage point decrease in discount rate	1,03,47,420	40,50,580	89,88,020	40,08,100
(i) One percentage point increase in medical inflation rate	16,92,150	—	91,53,950	—
(ii) One percentage point decrease in medical inflation rate	(14,70,880)	—	(76,35,580)	—
(i) One percentage point increase in pension rate	—	39,31,140	—	39,19,400
(ii) One percentage point decrease in pension rate	—	(34,90,870)	—	(34,75,910)
VI. Maturity profile of defined benefit obligation				
1. Within the next 12 months (next annual reporting period)	50,14,270	30,26,360	48,61,500	30,10,140
2. Between 2 and 5 years	2,15,58,780	1,28,45,880	2,14,69,960	1,25,58,300
3. Between 6 and 10 years	2,95,32,900	1,70,27,410	3,20,36,250	5,22,41,540

d) Risk exposure

Through its defined benefit plans, the Company is exposed to discount rate risk, salary growth risk, inflation risk, pension increment risk and demographic risks of mortality and attrition rates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

33 Income Taxes

a. A reconciliation of the tax expense to the amount computed by applying the statutory income tax rate to the profit before taxes is summarized below:

Particulars	April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
Profit before tax	46,54,00,001	135,57,06,840
Add : Loss / (profit) of associate Company	8,53,56,180	(4,18,79,228)
Less : Expenses recognized in other comprehensive income	4,16,84,300	2,23,75,800
Adjusted Profit before tax (A)	**50,90,71,881**	**129,14,51,812**
Tax rate (B)	25.168%	25.168%
Tax expense (A*B)	**12,81,23,211**	**32,50,32,592**
Add : Tax effect of expenses that are not deductible for tax purposes:		
CSR Expenses	56,47,346	44,07,902
Add : Taxation for earlier years	29,78,009	(16,19,521)
Less : Tax effect of Income exempt from tax: Dividend Income	(51,97,892)	(25,170)
Add : Additional tax expense (deferred tax expense) due to change in tax rate	—	(2,56,58,969)
Less : Tax effect on exceptional item	(1,98,33,363)	—
Less : Other differences	(1,32,23,935)	(22,10,288)
Income tax expense charged to the Statement of Profit and Loss	**9,84,93,376**	**29,99,26,546**
Tax expense recognized in profit and loss	10,82,94,113	30,19,90,048
Income tax expenses recognized in Other Comprehensive Income	(98,00,737)	(20,63,502)
Income tax expense charged to the Statement of Profit and Loss	**9,84,93,376**	**29,99,26,546**

b. The tax effect of significant temporary differences that resulted in deferred tax liability are as follows:

Particulars	Balance sheet		Statement of profit and loss		Other comprehensive income	
	As at 31.03.2021 ₹	As at 31.03.2020 ₹	April '20 to March '21 ₹	April '19 to March '20 ₹	April '20 to March '21 ₹	April '19 to March '20 ₹
Deductible temporary difference						
(I) Expense/ provision allowed on payment basis	7,14,43,270	5,48,33,734	68,08,799	(5,95,72,941)	98,00,737	38,47,745
(ii) Unpaid Royalty	77,55,353	2,09,33,734	(1,31,78,381)	83,89,650	—	—
(iii) Friendly departure scheme	9,28,995	14,42,207	(5,13,212)	(14,37,870)	—	—
(iv) Others	2,43,77,589	2,61,22,698	(17,45,109)	2,22,43,025	—	—
Total (A)	**10,45,05,207**	**10,33,32,373**	**(86,27,903)**	**(3,03,78,136)**	**98,00,737**	**38,47,745**
Taxable temporary difference						
Property, Plant and Equipment	17,16,73,173	16,19,25,214	97,47,959	(5,96,73,482)	—	—
Deffered tax liability on share of profit of associate	(1,72,71,785)	10,32,406	(1,83,04,191)	(49,55,940)	—	—
Total (B)	15,44,01,388	16,29,57,620	(85,56,232)	(6,46,29,422)	—	—
Deferred Tax liability (B-A)	**4,98,96,181**	**5,96,25,247**	**71,671**	**(3,42,51,286)**	**(98,00,737)**	**(38,47,745)**

Net impact in Statement of Profit and Loss / Other Comprehensive Income *

* The total income tax expenses recognised in the Statement of Profit and Loss under Other Comprehensive income is inclusive of deferred tax release of Rs. 98,00,737 (Previous year - Rs. 38,47,745) and current tax nil (previous year- Rs. 17,84,243).

c. **Reconciliation of deferred tax liability**

Particulars	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Opening balance as at 1 April	5,96,25,247	9,77,24,278
Less: Deferred tax release during the year	(97,29,066)	(3,80,99,031)
Closing balance as at 31 March	**4,98,96,181**	**5,96,25,247**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

34 Reconciliation of Liabilities from Financing activities as stated in the Statement of Cash Flows are as follows :-

Particulars	Balance as at 1 April 2020	Cash Flows	Non-Cash Changes	Balance as at 31 March 2021
Borrowings	233,16,79,996	(22,16,12,416)	(1,76,06,975)	209,24,60,605
Lease liabilities	19,54,05,204	(2,34,10,979)	3,41,88,713	20,61,82,938
Total Liabilities from financing activities	**252,70,85,200**	**(24,50,23,395)**	**1,65,81,738**	**229,86,43,543**

Particulars	Balance as at 1 April 2019	Cash Flows	Non-Cash Changes	Balance as at 31 March 2020
Borrowings	219,01,28,280	12,71,37,944	1,44,13,772	233,16,79,996
Lease liabilities	—	(2,17,13,379)	21,71,18,583	19,54,05,204
Total Liabilities from financing activities	**219,01,28,280**	**10,54,24,565**	**23,15,32,355**	**252,70,85,200**

35 FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 25(2)(k) to the financial statements.

(a) Financial Instruments by Category

The following table presents carrying amount and fair value of each category of financial asset and liabilities.

As at 31 March 2021

Particulars	Amortised cost ₹	Fair value through other comprehensive income ₹	Derivative instruments ₹	Total Carrying Value ₹	Total Fair Value ₹
Financial assets					
Trade receivables	237,15,05,637	–	–	237,15,05,637	237,15,05,637
Investments	–	1,49,36,500	–	1,49,36,500	1,49,36,500
Cash and bank balances	1,31,33,513	–	–	1,31,33,513	1,31,33,513
Loans	7,62,53,193	–	–	7,62,53,193	7,62,53,193
Other financial assets	20,27,414	–	–	20,27,414	20,27,414
Total	246,29,19,757	1,49,36,500	–	247,78,56,257	247,78,56,257
Financial liabilities					
Borrowings	209,24,60,405	–	–	209,24,60,405	209,24,60,405
Trade payables	288,16,67,362	–	–	288,16,67,362	288,16,67,362
Lease liabilities	20,61,82,938	–	–	20,61,82,938	20,61,82,938
Other financial liabilities	22,87,24,211	–	17,47,778	23,04,71,989	23,04,71,989
Total	540,90,34,916	–	17,47,778	541,07,82,694	541,07,82,694

As at 31 March 2020

Particulars	Amortised cost ₹	Fair value through other comprehensive income ₹	Derivative instruments ₹	Total Carrying Value ₹	Total Fair Value ₹
Financial assets					
Trade receivables	274,21,82,238	–	–	274,21,82,238	274,21,82,238
Investments	–	86,19,000	–	86,19,000	86,19,000
Cash and bank balances	96,39,728	–	–	96,39,728	96,39,728
Loans	8,90,49,431	–	–	8,90,49,431	8,90,49,431
Other financial assets	3,73,56,165	–	–	3,73,56,165	3,73,56,165
Total	287,82,27,562	86,19,000	–	288,68,46,562	288,68,46,562
Financial liabilities					
Borrowings	233,16,79,996	–	–	233,16,79,996	233,16,79,996
Trade payables	215,04,74,003	–	–	215,04,74,003	215,04,74,003
Lease liabilities	19,54,05,204	–	–	19,54,05,204	19,54,05,204
Other financial liabilities	8,45,86,039	–	35,23,863	8,81,09,902	8,81,09,902
Total	476,21,45,242	–	35,23,863	476,56,69,105	476,56,69,105

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

(b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below-

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

As at 31.03.2021

Particulars	Carrying Amount		Fair Value	
		Level 1	Level 2	Level 3
	₹	₹	₹	₹
Financial assets				
Investment - Equity share (HDFC Bank)	1,49,36,500	1,49,36,500	—	—
Financial liabilities				
Derivative liabilities - forward cover	17,47,778	—	17,47,778	—
As at 31 March 2020				
Financial assets				
Investment - Equity share (HDFC Bank)	86,19,000	86,19,000	—	—
Financial liabilities				
Derivative liabilities - forward cover	35,23,863	—	35,23,863	—

(c) Financial Risk Management Policies And Objectives:

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board.

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables, payables, loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowings.

Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variables interest rates. Any movement in the reference rates could have an impact on the Company's cash flow as well as costs.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations.

Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies.

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.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash and cash equivalents to manage its liquidity risk.

The non-derivative financial liabilities of the Company are all payable within 12 months. (Refer Note 13 and 14).

The following table shows a maturity analysis of the anticipated cash flows including future interest obligations for derivative and non-derivative financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting period. Cash flows in foreign currencies are translated using the period end spot rates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

Particulars	Carrying Value	Contractual Cash flow	Less than one year	Between one to five years	More than five years
Non derivative financial liabilities					
Borrowings including interest obligations	209,24,60,405 *233,16,79,996*	234,86,04,274 *257,86,95,957*	121,21,97,954 *153,40,56,196*	113,64,06,320 *104,46,39,761*	— —
Trade payables	288,16,67,362 *215,04,74,003*	288,16,67,362 *215,04,74,003*	288,16,67,362 *215,04,74,003*	— —	— —
Lease liabilities	20,61,82,938 *19,54,05,204*	30,90,40,311 *30,82,99,460*	2,58,68,121 *2,35,02,793*	12,81,90,011 *9,83,28,039*	15,49,82,179 *18,64,68,628*
Other financial liabilities	22,87,24,211 *8,45,86,039*	22,87,24,211 *8,45,86,039*	22,87,24,211 *8,45,86,039*	— —	— —
Derivative financial liabilities	17,47,778 *35,23,863*	17,47,778 *35,23,863*	17,47,778 *35,23,863*	— —	— —

Note- Figures in italics relates to previous year.

Credit Risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company.

To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

Financial assets are provided for when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for provision as per provisioning policy of the Company. Where loans or receivables have been provided, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in the Statement of Profit and Loss.

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain.

(d) Foreign Currency exposure as at 31 March 2021

₹

Particulars	USD	EUR	JPY	GBP	Others	Total
Financial Assets						
Trade Receivables	45,21,58,242	16,05,22,536	—	8,52,54,468	26,42,810	70,05,78,056
Bank balance in Current account	—	—	—	6,86,771	—	6,86,771
Other Assets	1,68,614	1,51,06,523	—	—	54,697	1,53,29,834
Financial Liabilities						
Trade Payables	(68,98,07,174)	(14,05,55,053)	(1,81,89,193)	(2,44,897)	(1,06,84,463)	(85,94,80,780)
Loan in Foreign Currency	(28,05,09,445)	—	—	—	—	(28,05,09,445)
Advance from Customers	(65,99,052)	—	—	—	—	(65,99,052)
Net Exposure to Foreign Currency Risk	**(52,45,88,815)**	**3,50,74,006**	**(1,81,89,193)**	**8,56,96,342**	**(79,86,956)**	**(42,99,94,616)**

Foreign Currency exposure as at 31 March 2020

₹

Particulars	USD	EUR	JPY	GBP	Others	Total
Financial Assets						
Trade Receivables	55,48,39,756	22,79,21,411	—	1,50,82,276	26,42,810	80,04,86,254
Bank balance in Current account	—	—	—	6,48,435	—	6,48,435
Other Assets	12,03,954	6,61,84,510	—	—	1,90,94,878	8,64,83,341
Financial Liabilities						
Trade Payables	(49,09,11,208)	(1,50,96,539)	(3,35,31,208)	(4,19,556)	—	(53,99,58,511)
Loan in Foreign Currency	(25,01,94,679)	(15,99,57,297)	—	(2,66,83,570)	—	(43,68,35,546)
Advance from Customers	(3,77,05,040)	(36,424)	—	—	—	(3,77,41,465)
Net Exposure to Foreign Currency Risk	**(22,27,67,217)**	**11,90,15,660**	**(3,35,31,208)**	**(1,13,72,415)**	**2,17,37,688**	**(12,69,17,492)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

(e) Sensitivity Analysis

1% increase or decrease in foreign currency exchange rates will have the following impact on profit before tax

₹

Particulars	April 2020 to March 2021		April 2019 to March 2020	
	1% Increase	**1% decrease**	**1% Increase**	**1% decrease**
USD	(52,45,888)	52,45,888	(22,27,672)	22,27,672
EUR	3,50,740	(3,50,740)	11,90,157	(11,90,157)
JPY	(1,81,892)	1,81,892	(3,35,312)	3,35,312
GBP	8,56,963	(8,56,963)	(1,13,724)	1,13,724
Others	(79,870)	79,870	2,17,377	(2,17,377)
Increase / (decrease) in profit	**(42,99,947)**	**42,99,947**	**(12,69,174)**	**12,69,174**

(f) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rates relates primarily to the Company's debt interest obligation.

The exposure of the Company's floating debt interest obligation and its sensitive analysis are as follows:

	April 2020 to March 2021	April 2019 to March 2020
Company's debt obligation (Floating rates)	209,24,60,405	233,16,79,996

Sensitivity analysis assuming the amount of the liability outstanding at the year end was outstanding for the whole year:

If interest rate had been 25 basis point higher/ lower and all other variables held constant, the company's profit before tax for the ended 31 March 2021 would decrease/ increase by Rs. 52,31,151 (Previous year - Rs. 58,29,200). This is mainly attributable to the company's exposure to interest rates on its floating rate borrowings.

(g) Securities price risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices. The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. The value of investments in such equity instruments as at 31 March 2021 is Rs. 1,49,36,500 (Previous year - Rs. 86,19,000). Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

36 Capital management

The Company's capital management is intended to safeguard its ability to continue as a going concern so that to create value for shareholders and benefits for other stakeholders by facilitating the achievement of long term and short term goals of the Company. The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations, long term and short term bank borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances and other financial assets. The table below summarises the capital, net debt and net debt equity ratio of the Company.

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Total borrowings	209,24,60,405	233 ,16,79,996
Less: cash and cash equivalents, other bank balances and other financial assets	1,51,60,927	4,69,95,893
Net Debt	**207,72,99,478**	**228,46,84,103**
Equity	**515,05,60,560**	**512,20,70,735**
Total Capital (Equity + Net Debt)	**722,78,60,038**	**740,67,54,838**
Net Debt to Equity Ratio	**0.40**	**0.45**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

37 Note on Revenue disggregation

	India ₹	Out side India ₹	Total ₹
Sale of products	1043,68,16,839	235,32,36,945	1279,00,53,784
	1141,88,60,841	*315,52,06,819*	*1457,40,67,660*
Income from sale of services	126,20,07,953	5,28,35,185	131,48,43,138
	161,96,68,878	*11,28,16,841*	*173,24,85,719*
Other operating revenue	13,43,80,342	—	13,43,80,342
	22,26,07,135	—	*22,26,07,135*
Total revenue from operations	**1183,32,05,134**	**240,60,72,130**	**1423,92,77,264**
	1326,11,36,854	*326,80,23,660*	*1652,91,60,514*

Figures in italics relates to previous year.

Revenue Reconciliation

	April 2020 to March 2021 ₹	April 2019 to March 2020 ₹
Total Revenue	1429,36,41,412	1658,02,36,310
Less: variable consideration (Cash Discount)	5,43,64,148	5,10,75,796
Total revenue from operations	**1423,92,77,264**	**1652,91,60,514**

- The Company's performance obligations are satisfied on delivery of product or service to the customer. Delivery of product completes when the products have been shipped or delivered to the specific location, of the customer, as the case may be. Delivery of service completes on receipt of confirmation from customer.
- The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payments by the customer exceeds one year and hence, there are no significant financing component included in such contracts.

38 Contract Liability

The Company has recognised Revenue from Sale of products and Income from sale of Services amounting to Rs. 7,04,77,924 during the year ended 31 March 2021 against the advance received from customer which was outstanding as on 31 March 2020 (Previous year : Rs. 1,46,91,106 against advance received from customer which was outstanding as on 31 March 2019).

39 Related Party Disclosures

a) List of related parties of TRL Krosaki Refractories Limited

Sl. No.	Name	Country of Incorporation	% of Equity Interest As at 31 March 2021	% of Equity Interest As at 31 March 2020
i)	**Parent Entity (Holding Company)**			
	Krosaki Harima Corporation	Japan	77.62	77.62
ii)	**Associate Companies**			
	TRL Krosaki Asia Pte Limited	Singapore	37	37
	Almora Magnesite Limited	India	39	39
iII)	**Entity having significant influence over holding Company** (Ultimate Holding Company)			
	Nippon Steel Corporation (Formerly known as Nippon Steel & Sumitomo Metal Corporation)	Japan		
iv)	**Subsidiary of Nippon Steel Corporation**			
	Nippon Steel India Pvt Ltd	India		
	Nippon Steel Engineering India Pvt. Ltd.	India		
	Sanyo Special Steel Co. Ltd	Japan		
v)	**Fellow Subsidiaries**			
	TRL Krosaki China Limited (formerly know as TRL China Limited)	China		
	Krosaki Harima (Shanghai) Enterprise Management Co, Ltd	China		
	Krosaki Harima Europe B.V.	Netherland		
	Krosaki USA Inc.(KUI)	USA		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

Sl. No.	Name	Country of Incorporation	% of Equity Interest As at 31 March 2021	% of Equity Interest As at 31 March 2020
vi)	**Associate of Krosaki Harima Corporation**			
	IFGL Refractories Limited (IFGL) (Formerly known as IFGL Exports Limited)	India		
vii)	**Joint Venture of Subsidiary of Nippon Steel Corporation**			
	Arcelor Mittal Nippon Steel India Limited	India		
	Mahindra Sanyo Special Steel Pvt Ltd.	India		
viii)	**Key Managerial Personnel**			
	(I) Directors			
	Mr. H. M. Nerurkar (Chairman)			
	Mr. P. B. Panda (Managing Director)			
	Mr. P. V. Bhide			
	Mr. R. Ranganath Rao			
	Mr. Sudhansu Pathak			
	Mr. Toshikazu Takasu			
	Mr. Hisatake Okumura			
	Mr. Asaya Sachihiko (w.e.f 16 March,2021)			
	Ms. Shuang Zhu (w.e.f 26 May,2020)			
	Mr. Anirban Dasgupta (w.e.f 28 July,2020)			
	Mr. Kotaro Kuroda (upto 28 September,2020)			
	Mr. Kiyotaka Oshikawa (upto 01 February,2021)			
	Mr. Sadayoshi Tateishi (upto 28 September,2020)			
	Mr. Takeshi Yoshida (upto 28 September,2020)			
	Sunanda Lahiri (upto 20 March,2020)			
	Mr. Sudhir Krishnaji Joshi (upto 20 March,2020)			
	(ii) Other than Directors			
	Mr. M. V. Rao (Sr. Vice President (Finance) & CFO)			
	Mr. Sambit Mishra (Company Secretary) (w.e.f 27 October,2020)			
	Mr. Arabinda Debta (Company Secretary) (upto 04 August,2020)			
ix)	**Relative of Key Managerial Personnel**			
	Mr. Dinabandhu Panda			
x)	**Employees' Benefit Plans**			
	TRL Krosaki Refractories Limited Provident Fund			
	TRL Krosaki Refractories Limited Superannuation Fund			
	TRL Krosaki Refractories Limited Gratuity Fund			

Note:

(1) The list contains those related parties with whom the Company has transactions during the current or previous year

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

b) Transactions with Related Parties

Particulars	Holding Company	Subsidiaries & Associates of the Holding company	Subsidiaries of ultimate Holding company and it's Joint Ventures	Associates of the Company	Key Managerial Personal and relative
Purchase of Raw Materials	12,29,62,252	55,17,10,708	—	1,66,19,288	—
	15,20,31,361	*82,92,48,570*	—	*1,65,29,879*	—
Sales and Services	8,08,49,024	32,61,02,204	40,36,64,118	—	—
	10,34,10,194	*24,27,90,932*	*15,14,04,675*	*16,17,261*	—
Receiving of Services	—	7,60,510	—	—	—
	3,42,036	*5,31,590*	—	—	—
Interest Expenses	—	—	23,98,060	—	—
	—	—	*3,42,394*	—	—
Royalty	6,41,29,414	—	—	—	—
	9,19,00,692	—	—	—	—
Dividend paid	23,52,31,528	—	—	—	2,175
	19,79,18,941	—	—	—	*1,830*
	—	—	—	2,06,51,141	—
Dividend received	—	—	—	—	—
	—	—	—	—	—
Outstanding Balance -Debtors	1,29,24,653	16,83,49,511	7,71,92,012	—	—
	1,78,63,388	*18,25,21,452*	*5,24,08,162*	—	—
Loans and advances recovered	—	—	—	—	60,000
	—	—	—	—	*60,000*
Outstanding Loan Balance	—	—	—	—	1,45,000
	—	—	—	—	*2,05,000*
Creditors	6,14,84,303	9,20,88,542	—	12,67,532	—
	14,48,05,916	*15,35,04,060*	—	—	—
Interest Accrued	—	—	—	—	—
	—	—	*3,08,155*	—	—
Loans and Advances Received	—	2,548	—	—	—
	—	*7,38,903*	—	—	—
Borrowings (net of repayment)	—	—	—	—	—
	—	—	*17,99,86,223*	—	—
Short term employee benefits	—	—	—	—	3,68,41,272
	—	—	—	—	*5,41,54,532*
Post employment benefits (Refer Note b below)	—	—	—	—	30,88,816
	—	—	—	—	*30,75,952*
Other long term employee benefits (Refer Note b below)	—	—	—	—	—
	—	—	—	—	—
Commission	—	—	—	—	75,59,000
	—	—	—	—	*51,94,000*
Sitting Fees (Refer Note e below)	—	—	—	—	39,45,000
	—	—	—	—	*15,40,000*

Transactions presented above are inclusive of goods and services tax (GST).

Terms and conditions of transactions with related parties

(a) All related party transactions entered during the year were in ordinary course of the business and are at arm's length basis for the year ended 31 March 2021 and the Company has not recorded any impairment of receivables relating to amounts owed by related parties (Previous Year: nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates

(b) As the liabilities for defined benefit plans are provided on actuarial basis for the Company as whole, the amounts pertaining to key managerial personnel and relatives are not included.

(c) During the year, the Company has contributed Rs. 8,92,45,922 (Previous year: Rs.11,03,65,292) to the post employment benefit plans to the Trusts managed by the Company.

(d) Figures in italics represent comparative figures of the previous years.

(e) Sitting fees of all nominated directors has been paid to respective nominee companies.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in ₹, except otherwise stated)

40 Additional Information as per Part II of Schedule III, Companies Act, 2013

Name of the Entity	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹	As % of consolidated profit and loss	Amount ₹	As % of consolidated comprehensive income	Amount ₹	As % of total comprehensive income	Amount ₹
Parent: TRL Krosaki Refractories Limited	96.94%	499,29,36,127	123.90%	44,24,62,068	100.00%	(2,55,66,063)	125.75%	41,68,96,005
Associate (Foreign): TRL Krosaki Asia Pte. Ltd.	2.75%	14,14,01,572	(23.05%)	(8,23,26,666)	0.00%	—	(24.83%)	(8,23,26,666)
Associate (Indian): Almora Magnesite Ltd	0.31%	1,62,22,861	(0.85%)	(30,29,514)	0.00%	—	(0.91%)	(30,29,514)
Total	**100.00%**	**515,05,60,560**	**100.00%**	**35,71,05,888**	**100.00%**	**(2,55,66,063)**	**100.00%**	**33,15,39,825**

41 Earnings per Share (EPS)

EPS is calculated by dividing the profit attributable to the equity shareholders by the average number of shares outstanding during the year. The basic and diluted earnings per share has been calculated below :

		April 2020 to March 2021	April 2019 to March 2020
a)	Profit after Tax	35,71,05,888	105,37,16,792
b)	Profit attributable to Equity Share Holders	35,71,05,888	105,37,16,792
c)	Weighted average number of Equity Shares outstanding during the year	2,09,00,000	2,09,00,000
d)	Nominal Value per share	10	10
e)	Basic / diluted Earning per Equity Share	17.09	50.42

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, April 27, 2021

For and on behalf of the Board of Directors
CIN-U26921OR1958PLC000349

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
Mumbai

sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)
Belpahar

sd/-
M. V. RAO
Sr. VP (Finance) &
CFO
Belpahar

sd/-
SAMBIT MISHRA
Company Secretary
(ACS : 59808)
Belpahar

April 27, 2021

Form AOC-I

(Pursuant to sub-section (3) of section 129 of the Companies Act, 2013, related to associate and joint ventures)

Part "A": Subsidiaries NA

Part "B": Associates

	Name of Associates	TRL Krosaki Asia Pte Ltd	Almora Magnesite Limited
1.	Latest audited Balance Sheet Date	31 March, 2021	31 March, 2020
2.	Date on which the associate was associated or acquired	5 December,2016	30 March ,1973
3.	Reporting Currency	CNY	INR
4.	Share of Associate by the Company on the year end :		
	Number	48,07,584	77,990
	Amount of Investment	13,82,61,575	77,99,000
	Extent of Holding (in percentage)	37.000%	38.995%
5.	Description of how there is significant influence	Controls more than 20% of the total share capital	Controls more than 20% of the total share capital
6.	Reason why the associate is not consolidated	NA	NA
7.	Networth attribute to share holding as per latest audited Balance Sheet	24,35,84,156	2,40,21,861
8.	Profit or Loss for the year :		
	i) Considered in Consolidation	(8,23,26,666)	(30,29,514)
	ii) Not Considered in Consolidation	—	—

Names of Associates or Joint Ventures which are yet to commence Operations : NIL

Names of Associates or Joint Ventures which have been liquidated or sold during the year : NIL

CSR INITIATIVES TO COMBAT SPREAD OF COVID-19

TRL KROSAKI REFRACTORIES LIMITED

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Belpahar Jharsuguda Odisha 768 218
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