



BHARAT WIRE ROPES LTD.

ANNUAL REPORT

2019-20

ELEVATOR

**GENERAL
ENGINEERING**

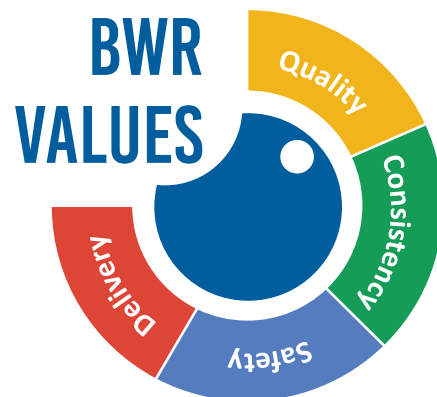
MINING

CRANES

OIL & GAS

MARINE

STRUCTURAL



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Sanjiv Swarup
Chairman & Independent Director

Mr. Murarilal Mittal
Managing Director

Mr. Mayank Mittal
Additional Director (Executive-Promoter)
(Appointed w.e.f. August 16, 2020)
(Resigned w.e.f. July 17, 2020)

Mr. Sumit Kumar Modak
Whole-Time Director

Mr. Venkateswararao Kandikuppa
Whole-Time Director

Mr. Shivkumar Malu
Independent Director

Mr. Satyendra Nayak
Independent Director
(Resigned w.e.f. April 20, 2020)

Ms. Ruhi Mittal
Non-Executive Director

Mr. Dinesh Kumar Jain
Additional Director
(Non-executive Independent)
(Appointed w.e.f. July 16, 2020)

KEY MANAGERIAL PERSONNEL

Mr. Mahender Singh Arora
Chief Executive Officer

Mr. Rakesh Kumar Jain
Chief Financial Officer

Mr. Shailesh Rakhasiya
Company Secretary & Compliance Officer

AUDIT COMMITTEE

Mr. Sanjiv Swarup, Chairman
Mr. Murarilal Mittal, Member
Mr. Shiv Kumar Malu, Member
Mr. Dinesh Kumar Jain, Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. Sanjiv Swarup, Chairman
Mr. Shiv Kumar Malu, Member
Mr. Dinesh Kumar Jain, Member

STATUTORY AUDITORS

M/s. Sureka Associates,
Chartered Accountants

INTERNAL AUDITOR

M/s. Borkar & Muzumdar,
Chartered Accountants

STAKEHOLDERS RELATIONSHIP COMMITTEE

Ms. Ruhi Mittal, Chairperson
Mr. Sanjiv Swarup, Member
Mr. Murarilal Mittal, Member
Mr. Venkateswararao Kandikuppa, Member

SECRETARIAL AUDITORS

M/s. APC & Associates, Practicing Company Secretaries

COST AUDITOR

Dilip M. Bathija, Cost Accountant

REGISTRAR AND TRANSFER AGENTS

KFin Technologies Private Limited

Karvy Selenium, Tower B, Plot Number 31 & 32, Gachibowli,
Financial District, Nanakramguda, Hyderabad – 500 032, India.
Tel.: 040 6716 2222; Fax: 040 2343 1551

BANKERS

State Bank of India
Bank of Baroda
Union Bank of India
Central Bank of India
EXIM Bank
Union Bank of India (UK) Ltd.

STOCK EXCHANGES WHERE THE COMPANY'S SECURITIES LISTED

National Stock Exchange Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

REGISTERED OFFICE & PLANT SITE

Plot No. 4, MIDC, Chalisgaon Industrial Area,
Village – Khadki, Taluka – Chalisgaon,
District – Jalgaon 424 101.

PLANT SITE

Plot 1 & 4, Atgaon Industrial Complex, Mumbai-Nasik Highway,
Atgaon (East), Taluka Shahpur, Thane – 421 601.

CORPORATE OFFICE

701, A Wing, Trade World Building, Kamla Mills Compound,
Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013.
Tel.: +91 22 6682 4600

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Overview of the Economy:

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. However, recently, Indian economic growth slowed down to 4.2% in FY 2019-20 from 6.1% in FY2018-19 majorly on account of weak domestic consumption, subdued investment, extended monsoons and COVID - 19 impact in Q4 FY 2019-20. This is the lowest growth rate recorded in last 11 years. In the final quarter of the year, Jan 2020 to March 2020, the GDP fell to 3.1% reflecting impact of COVID - 19 and lockdown since March 25, 2020.

2. Industry Structure and developments:

It has been witnessed that Steel & Wire Manufacturing Industry is growing very fast. The demand of wires is expected to increase in leaps and bounds in the years to come. Steel Wire Rope industry in India has prospered owing to growth in infrastructure activities and demand in industrial sector. This growth was witnessed majorly due to government initiatives such as Pradhan Mantri Awas Yojana, Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Smart Cities Mission, Delhi Mumbai Industrial Corridor (DMIC) and others. The primary growth drivers for steel wire ropes in India have been infrastructure development, increased industrial activity, enhanced emphasis on shipping and port sector along with growth in the mining industry. The resurgence in the Oil and Gas industry is expected to increase the number of oil rigs which will further add impetus to the growth of steel wire rope industry.

3. Our Business:

Wire ropes are a value-added product, formed from wire rods, which falls in the long steel category of steel products. Over the years, with significant improvement in the strength of steel wire ropes manufactured, the usage of these steel wire ropes has significantly increased in various diverse applications.

Wire rope consists of several strands of metal wire laid (twisted) into a helix. The term “cable” is often used interchangeably with “wire rope”. Bharat Wire Ropes Limited (“the Company”) is a leading steel wire rope manufacturing company established in the year 1986.

The Company has a diverse product mix which includes General Purpose Ropes, Fishing Ropes, Crane Ropes, Structural Ropes, Elevator Ropes, Mining Ropes, Oil & Gas Ropes & Shipping Ropes. In addition to the above Mechanically Spliced Slings, Hand Spliced Slings, Earth Wires, Stay Wires, Guy Wires and Spiral Strands. The Company caters to a rich mix of clients ranging from Overseas Consumers, Private Players, the entire Indian Defense Segment and Government and Semi – Government

Organizations. Providing service to a variety of clients has helped the company develop versatility which makes it better equipped to handle diverse / heterogeneous kinds of enquiries.

Bharat Wire Ropes has a well-diversified customer base from different industries including oil & gas, mining, fishing, ports & marine, elevator, power transmission, railways, construction, infrastructure, defense, crane manufacturers, among others.

4. Segment-wise or Product-wise performance:

The Company believes that its ability to cater a wider customer base on account of its diversified product offering has enabled the Company to provide customization options to its valued customers. To further strengthen the Company’s product mix, the efforts have been made to focus on niche sectors for providing wire ropes such as non-rotating ropes, suspension bridge ropes. The Company believes that its ability to provide a mix of high-value niche products along with being active in the volume segments has helped in balancing the Company’s revenues.

5. Business Strategy:

I. Expansion of Company’s presence in the domestic markets:

The Company is undertaking various marketing activities to expand and enhance its presence in the existing business segments by identifying markets where it can provide cost effective, technically advanced products to its clients. The Company envisage to have close contacts with major end-users to provide greater client-interfacing. Further, the Company has successfully been awarded and it has certified product approvals/registrations from BIS for steel wire ropes and strands etc., and with major engineering consultants and equipment suppliers.

II. Focus on development of international markets for the Company’s Products:

The Company’s products are being supplied to European and Scandinavian Countries, South African, African and the Middle Eastern markets, South East Asia and USA. With continued thrust to expand the company is developing Latin American market.

III. Strengthening of product portfolio and developing capabilities to manufacture a wider range of products:

The company has strengthen the product portfolio by developing capabilities to manufacture a wider range of products. To provide quality product at reasonable prices has always been the ultimate aim of the Company. The Company manufacture all wires at its new plant in Chalisgaon, thereby eliminating the dependency on the limited types

of wires available in the market and enabling the Company to manufacture and offer an increased range of wire rope products, including but not limited to marketing high performance crane ropes for ports, large diameter spiral strands for structures and bridges, elevator ropes, high performance mining ropes, long-life-cycle fishing ropes, onshore and offshore ropes, swaged ropes and special ropes for construction sector.

IV. Meeting Quality Standards and developing customer focus:

Providing quality products at reasonable price has always been the ultimate aim of the Company. The Company has in place the strategy which supports Total Quality Management. Company's technically qualified persons are determined to achieve the objective of zero defects and minimal rejection. The Company has testing facilities to ensure that all our products are thoroughly tested prior to dispatch from our factory so that grievances can be minimized.

Chalisgaon Plant:

Company has been accredited with ISO 9001, ISO 14001 and OHSAS 18001 certifications by TUV SUD South Asia Private Limited.

Company has achieved a major milestone by getting the approval of LLOYDS Register for the plant at Chalisgaon and approvals from Bureau of Indian Standards to put ISI mark on the products confirming to IS: 2266, IS: 2365, IS: 4521, IS: 1835 & IS: 4454 part 1. It has also received approval from Powergrid Corporation of India Limited for manufacturing 7 strand G S Earth-wire." Company also has CE Certification for Chalisgaon Plant.

Atgaon Plant:

Company has been accredited with ISO 9001 certification by TUV SUD South Asia Private Limited for our Atgaon plant. Plant is approved by Central Organization Railway Electrification (CORE) for Stranded Galvanized Steel Anti-creep wire (19/2.50 mm) and also approved by Research Designs & Standards Organization (RDSO) for 8.65 mm Stainless Steel Wire Rope & 5.5 mm Stainless Steel Wire Rope for different Regulating Equipment's and Galvanized Stranded Wire for Traction Bond.

Plant has received approvals from Bureau of Indian Standards to put ISI mark on the products confirming to IS: 2266, IS: 9282 & IS: 12776. It has also received Approval from Powergrid for manufacturing 7 strands & 19 Strands G S Earth-wire."

Atgaon Plant has received Works Approval Certificate from Indian Register of Shipping for Manufacturer of Steel Wire Ropes for Life Boat Fall used on ships.

6. Opportunities and Threats

Government's initiative of expanding infrastructure under various schemes, such as Housing for All, AMRUT, will increase the demand for wire ropes in future. Increasing urbanization in India and growth of nuclear families has led to increase in residential development. This has further increased housing requirements, which will drive the demand for wire ropes.

Rise in mining and quarrying sector will also augment the steel wire ropes in market in India.

The market for steel wire rope is at a matured stage, with a limited number of players dominating the market. Steel Wire ropes are used dynamically for lifting and hosting in applications, and for transmission of mechanical power. The primary drivers of wire rope market in future will be "Housing for all by 2022" project. This will require a series of government projects to be launched which can provide impetus to the construction and allied industries and consequently to the steel wire rope market. It has been anticipated that steel wire ropes production will meet the domestic market demand owing to year-on-year increase in production capacities of the companies. "Smart Cities Mission" has planned to invest INR 1 Billion for each smart city. The aim of the mission is to improve living standards across major cities in India. The mission also aims at improving infrastructure facilities in urban areas in the country which will drive the demand of steel wire ropes in India.

The resurgence in the Oil and Gas industry is expected to increase the number of oil rigs which will further add impetus to the growth of steel wire rope industry.

International customers have shown inclination to divert focus from China to India for procurement of wire ropes in view of recent political differences.

However, high debt levels of manufacturers and actual implementation of infrastructure projects remain a concern for the industry.

FY 2020-21 has begun with the COVID - 19 pandemic and gradually spreading across most parts of the world. The nationwide lockdowns to break the chain of transmission brought economic activities to a near halt, affecting the demand in the month of March and April 2020. Situation has started improving from May onwards.

7. Risks and Concerns

Growth of the sector is depended on the enlargement of allied sectors. Forecasted plans and projections are subject to risk. Various kinds of risk associated with the development are Liquidity Risk, Market Risk and Operational Risk. Other dominant threats faced by the Company are in the form of competition it faces in the industry. In particular, the Company competes with other wire rope manufacturing companies, both in India and abroad, on the basis of a number of factors, including but not limited to quality, time of delivery and price.

Fluctuations in the price, availability and quality of raw materials used in our manufacturing process could have a material adverse effect on cost of sales or the Company's ability to meet customer demands. There can be no assurance that the Company will always be successful in its efforts to protect the business from the volatility of the market price of raw materials, and the business can be affected by dramatic movements in prices of raw materials.

Risk is the vital factor of every business. The Company has in place a Risk management Committee which outlines the amount of risk involved in the business and various techniques for risk mitigation & Risk minimization. The Company believes that managing risks helps in maximizing returns. The Company's approach for addressing business risks is comprehensive and includes identification of Risks, periodic review of such risks and measures to for mitigating such risks.

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing a significant disruption and slowdown of economic activity. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services and the uncertainty associated with the lifting or re-imposition of these restrictions, have further aggravated the business environment. As a result, the IMF expects the global economy to contract sharply by 3% in CY 2020, in a baseline scenario, which assumes that the pandemic fades in the second half of CY 2020 and containment efforts can be gradually unwound. The IMF expects the global economy to grow by 5.8 percent in CY 2021 as economic activity normalises, helped by policy support by way of fiscal and monetary stimulus

Key Risks	Impact on the Company	Mitigation
A Slowdown in Economic Growth	Economic factors like increase in rate of inflation, scarcity of credit, increases in commodity and energy prices other factors such as political or regulatory action, including adverse changes in liberalization policies, business corruption, social disturbances, terrorist attacks and other acts of violence or war, natural calamities may impede Company's growth and expansion plans. Company's operations and financial condition may be adversely affected by, conditions in financial markets in the global economy.	To constantly review the changes in economic conditions and plan to mitigate the same.
Changes in Technology	Inability to keep pace with the rapidly changing Technological Environment adversely affect the Company's ability to compete efficiently, reduce competitiveness, ability to develop new products and the consequential quality of Company's products, and could also adversely affect sales and profitability.	To anticipate and respond on a timely basis and economical basis to technological advances in the sector which Company operates. Preventive maintenance activities will only be productive. Company needs to establish a process for monitoring lifecycle stages of equipment.
Supply of Raw Material	Disruption of supply of raw materials from our suppliers will adversely affect Company's operations and ability to deliver products on a timely basis.	To enter into an understanding with the suppliers in respect of long term supply of raw material. Monitor price movement regularly and keep inventories of 2-3months
Fluctuation in Cost of raw Material	The prices of Raw Material are subject to price fluctuation which may affect the Profitability and reduce supply leading to increase in supply costs due to which financial performance may be materially and adversely affected.	Timely anticipation of fluctuation in supply cost. Adapt to changing supply cost and adjusting purchasing practices accordingly to be able to negotiate favorable pricing terms with suppliers for such raw material.
Industrial Actions	The Company is exposed to strikes, work stoppages or increased wage demands by the employees or any other kind of disputes with employees of the Company could adversely affect its business and results of operations.	Be Proactive in addressing disputes & grievances. Address the issue as soon as the employee raise them.
Maintenance of adequate health and safety standards	Company is subject to the risk of industrial accidents which could have significant adverse consequences for Company's workers and facilities, as well as the environment. Such incidents could lead to production stoppages, the loss of key assets, or put at risk employees (including those of sub-contractors and suppliers) or persons living near the affected site. In addition, such incidents could damage Company's reputation, leading to the rejection of products by customers. These events could have a material adverse effect on the Company's revenues, results of operations, profitability and cash flows and diversion of management time into rebuilding and restoring its reputation.	Prevent worker contact with all rotating or moving machinery by using guards, enclosures, or guarding devices between the worker and the machine. Implement a lockout procedure. This will ensure that power to equipment is completely disconnected and cannot be reconnected while someone is working on the equipment.

8. Internal Control System and their adequacy:

Company has in place robust Internal Control system to maximize the effectiveness and efficiency by including activities that are tailored to the nature, size and complexity of the entity. The Company follows proper hierarchy for reporting of routine activities. Direct access to the senior Management is available in extreme cases. The Company has framed whistle blower policy to report concerned areas to the Management.

Management is responsible for establishing and maintaining internal financial controls. The Company has adequate Internal Control system with reference to financial statements and to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

9. Financial Performance:

The Financial statements of the Company are prepared in Compliance with the Companies Act, 2013 and significant accounting policies used for the preparation of financial statements are disclosed in the notes to financial statement.

Particulars	2019-20	2019-18
Total Revenue	25,803.54	24,155.75
Profit before Depreciation, Financial Cost, Exceptional Items and Tax	2,927.25	1,959.69
Depreciation	2,180.45	2,102.77
Finance Cost	8,946.95	7,262.92
Exceptional Items	-	-
Taxation (Net)	(2,104.40)	(2,950.42)
Net Profit After Tax	(6,095.77)	(4,455.58)
Total Comprehensive Income for the Year	0.96	4.01
Earnings per share (Rs.)	(13.56)	(9.91)

Net Revenue from Operations:

Net revenue for the year is higher by 7% YOY basis on account increase in production and sales realisation.

Profit before Depreciation, Financial Cost, Exceptional Items and Tax (PBIDT):

PBIDT is higher on account of higher sales realisation, better margin and effective cost control

Finance Cost:

Finance cost has increased on account of increase of borrowing

Ratios:

Ratios	2019-20	2019-18	Remarks
Debtors Turnover Ratio	8.32	6.14	Improved on account of faster recovery from debtors

Ratios	2019-20	2019-18	Remarks
Inventory Turnover Ratio	2.1	1.71	Improved on account of better Inventory Management
Interest Coverage Ratio	0.33	0.27	Improved on account of higher PBIDT in current year
Current Ratio	0.36	0.56	Deteriorated due to unpaid interest and instalments
Debt Equity Ratio	17.26	6.12	Deteriorated due to reduction in Net worth on account of losses incurred and increase of borrowing on account of unpaid interest
Operating Profit Margin (%)	2.90%	-0.59%	Operating profit improved on account of improvement in operational levels.
Net Profit Margin (%)	-23.65%	-18.52%	Further reduced on account of increased interest cost.
Return on Net worth	-156.08%	-44.69%	Further reduced in on account of reduction of net worth due to losses incurred.

10. Human Resource:

Human Resources are capital of the Company. It could be invested through education and training which leads to an improvement in the quality and level of production. The Company has always given importance for developing individuals as well as teams. The system followed is transparent and performance based and it endeavors to retain, develop and provide better working environment to the employees by providing an atmosphere of trusteeship, competition and challenge, thereby providing opportunities for personal and professional growth through training and ample career enhancement opportunities.

The total strength of permanent employees as on March 31, 2020, is 510.

Bharat wire ropes Limited has shown full commitment towards employees, investors, contractors, consultants and all related personnel by providing safe-working conditions along with other welfare measures.

11. Cautionary statement :

Statements in this report on Management discussion and analysis relating to the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based upon certain assumptions and expectations of future

events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, selling prices, raw material costs and availability, changes in government regulations and tax structure, general economic developments in India and abroad, factors such as litigation, industrial relations and other unforeseen events. The Company assumes no responsibility in respect of forward looking statements made herein which may undergo changes in future on the basis of subsequent developments, information or events

On behalf of Board of Directors of
For **Bharat Wire Ropes Limited**

Murarilal Mittal
Managing Director
DIN: 00010689

Venkateswararao Kandikuppa
Whole Time Director
DIN: 06456698

Date: August 16, 2020
Place: Mumbai

DIRECTORS' REPORT

To,
The Members of

Bharat Wire Ropes Limited

Dear Members,

The Directors of your Company are pleased to present the 34th Annual Report on the business and operations of the Company and the Audited Financial Statements for the Financial Year ("F.Y.") ended March 31, 2020.

1. FINANCIAL PERFORMANCE

The performance of the Company is summarized below:
(Amount in Rs. in Lakhs)

Particulars	2019-20	2018-19
Income from Business Operations	25,771.47	24,063.88
Other income	32.07	91.88
Total Revenue	25,803.54	24,155.75
Profit before Interest Depreciation and Taxes	2,927.24	1,959.69
Less: Interest	8,946.95	7,262.92
Less: Depreciation	2,180.45	2,102.77
Profit / (Loss) before Tax	(8200.16)	(7,406.00)
Less: Extra-ordinary Item(Goodwill Written Off)	-	-
Less: Current Income Tax	-	-
Less: Minimum Alternate Tax Credit Entitlement	-	-
Less: Deferred Tax	(2,104.40)	(2,950.42)
Profit / (Loss) after Tax	(6,095.77)	(4,455.58)
Other Comprehensive Income / (Expenses) for the Year, Net of Tax	0.96	4.01
Total Comprehensive Income for the Year, Net of Tax	(6,094.80)	(4,451.57)

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

2. HIGHLIGHTS OF THE FINANCIAL SUMMARY

The total revenue of the Company for F.Y. 2019-2020 stood at Rs.25,803.54 Lakhs was higher by 6.82% over the previous year's total revenue of Rs.24,155.75 Lakhs. The Company suffered a loss of Rs. 6,095.77 Lakhs for F.Y. 2019-20, as compared to Loss of Rs. 4,455.58 Lakhs in the previous year.

3. COVID-19

The World Health Organization declared a global pandemic of the Novel Coronavirus disease (COVID-19) in the last quarter of F.Y. 2019-20 i.e. on February 11,

2020. The COVID-19 pandemic developed rapidly into a global crisis, forcing government to enforce lock-down of all economic activity. In enforcing social distancing to contain the spread of the disease, our offices and all other offices all over the world have been operating with minimal or no staff for extended period of time. To effectively respond and manage our operations through this crisis, the Company triggered its business continuity management program, chaired by the Managing Director with other senior management.

In keeping with its employee-safety-first approach, the Company quickly instituted measures to trace all employees and be assured of their well-being. Our teams reacted with speed and efficiency, and quickly leveraged technology to shift the workforce to an entirely new 'work-from-home' model. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees. As of March 31, 2020, work from home was enabled to close to 90 percent of the employees to work remotely and securely. The production workforces were enabled in a rapid manner to work remotely and securely, thus ensuring that client commitments were not materially compromised.

4. STATE OF COMPANY'S AFFAIRS

Bharat Wire Ropes Limited the (the "Company" or "BWR") is one of the largest manufacturers of Wire, Wire Ropes, Stranded Wires and slings in India, with an increasing global presence, catering more than 30 countries globally. The Company exports its varied products to USA, Singapore, Australia, South Africa, Kuwait, New Zealand, Vietnam, Bangladesh and Nepal. The Company is committed to increase its efficiency and productivity.

5. SHARE CAPITAL

During the year under review, there were no changes in the Share Capital of the Company.

The Authorized Capital of the Company as on March 31, 2020 was Rs. 52,00,00,000/- (Rupees Fifty Two Crores) divided into 5,20,00,000 (Five Crores Twenty Lakhs) equity shares of Rs. 10/- (Rupees Ten) each. The Paid-up Share Capital of the Company as on March 31, 2020, was Rs.44,95,22,480/-consisting of 4,49,52,248 Equity Shares of Rs. 10 each. The shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) since April 1, 2016.

6. CREDIT RATINGS

The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended March 31, 2020.

The ratings given by BRICKWORK for long-term borrowings and short-term borrowings of the Company are **BWR D** and **BWR D** respectively. There was revision in the said ratings during the year under review is given in the below table.

Particulars	March 2020	February 2019
Fund Based (Long-Term)	BWR D	BWR D
Non-Fund Based (Short-Term)	BWR D	BWR D

7. DETAILS OF SUBSIDIARY, ASSOCIATE, JOINT VENTURE:

The Company does not have any subsidiary or associate company. The Company has not entered into Joint Venture.

8. DIVIDEND:

Due to loss, your Directors do not recommend payment of any dividend on Equity Shares for the F.Y. ended March 31, 2020.

9. RESERVES AND SURPLUS:

There is no amount from profit and loss, which is transferred to General Reserves during the year under review. The closing debit balance of the retained earnings of the Company for F.Y. 2020, after all appropriation and adjustments was Rs. 9146.30 lakhs.

10. MEETINGS OF THE BOARD

During the period under review the Board of Directors met **5 (Five)** times viz. on May 25, 2019; July 12, 2019; August 14, 2019; November 08, 2019; and February 05, 2020. The details of the meetings of the board of directors of the company convened during the financial year, the attendance of the members there at and other requisite details are given in the Corporate Governance Report which forms part of this Annual Report.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL's (KMP's)

The lists of Director's & KMP's of the Company as on March 31, 2020 are as follows:

Sr. No.	Name	Designation
1.	Mr. Murarilal Ramsukh Mittal (DIN: 00010689)	Managing Director
2.	Mr. Mayank Mittal (DIN: 00127248)	Joint Managing Director
3.	Mr. Sumit Kumar Modak (DIN: 00983527)	Whole-Time Director
4.	Mr. Venkateswararao Laxmanamurthy Kandikuppa (DIN: 06456698)	Whole-Time Director

Sr. No.	Name	Designation
5.	Mr. Satyendra Shridhar Nayak (DIN: 08194706)	Director (ID)
6.	Mr. Sanjiv Swarup (DIN: 00132716)	Director (ID)
7.	Mr. Shivkumar Ramkishan Malu (DIN: 05345172)	Director (ID)
8.	Ms. Ruhi Mittal (DIN: 05345172)	Director (NED)
9.	Mr. Mahender Singh Arora (PAN:AABPA9704C)	Chief Executive Officer (KMP)
10.	Mr. Rakesh Kumar Jain (PAN: ABBPJ5834H)	Chief Financial Officer (CFO)
11.	Mr. Shailesh Vallabhbhai Rakhasiya (PAN: ALUPR5390R)	Company Secretary (KMP)

ID: Independent Director, NED: Non-Executive Director

During the year under review, following changes took place in composition of Board and Key Managerial Personnel's.

- Mr. Satyendra Nayak (DIN: 08194706) was regularized as an Independent Director in 33rd Annual General Meeting of the Company held on August 14, 2019.

Post Financial Year following changes took place in the Composition of the Board,

- Mr. Satyendra Nayak (**DIN: 08194706**) resigned as Independent Director w.e.f. April 20, 2020.
- The Board had, on recommendation of the Nomination and Remuneration Committee (NRC), at its meeting held on July 16, 2020 appointed Mr. Dinesh Kumar Jain (**DIN:06807650**) as an Additional Director (Independent Director) of the Company with effect from July 16, 2020 who holds office up to the date of the ensuing Annual General meeting. The Board recommends his appointment to the members at the ensuing 34th Annual General Meeting.
- Mr. Mayank Mittal (**DIN: 00127248**) resigned as Managing Director w.e.f. July 17, 2020.

Further, none of the Directors are disqualified for being appointed as the Director of the Company in terms of section 164 of the Companies Act, 2013.

12. DIRECTOR RETIRING BY ROTATION

Pursuant to provisions of section 152 of the Companies Act, 2013 (the "Act") and in terms of the Memorandum

and Articles of Association of the Company, Mr. Sumit Kumar Modak (**DIN: 00983527**) Whole-Time Director is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The re-appointment is being placed for members' approval at the 34th Annual General Meeting. The Members of the Company may wish to refer to the accompanying notice of the 34th Annual General Meeting of the Company, for a brief profile of the Director.

13. **DECLARATION BY INDEPENDENT DIRECTORS**

The Company after due assessment took on record the necessary declarations received from each of the Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations, and also in the opinion of the Board and as confirmed by these Directors, they fulfill the conditions specified in Section 149 of the Companies Act, 2013 and the Rules made thereunder about their status as Independent Directors of the Company. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties. Further, all the independent directors on the Board of the Company are registered with the Indian Institute of Corporate Affairs, Manesar, Gurgaon ("IICA") as notified by the Central Government under Section 150(1) of the Companies Act, 2013 and as applicable shall undergo online proficiency self-assessment test within the time prescribed by the IICA.

14. **COMMITTEES OF BOARD**

The details pertaining to the composition of the various Committees of Board and details of their meeting held are included in the Corporate Governance Report, which is a part of this report.

15. **POLICY FOR DETERMINING DIRECTORS' ATTRIBUTES AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES**

Pursuant to Section 178 of the Act, the Board has devised Nomination and Remuneration Policy for determining director attributes and remuneration of Directors, Key Managerial Personnel and Senior Management Employees. The Board Diversity and Remuneration Policy, has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board and to ensure that the level and composition of the remuneration of Directors, Key Managerial Personnel

and all other employees are reasonable and sufficient to attract, retain and motivate them to successfully run the Company. The said Policy is available on the website of the Company and can be accessed at the web link: www.bharatwireropes.com

16. **PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS**

In compliance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the Board of Directors has carried out an Annual Evaluation of its own performance, Board Committees, Individual Directors, Chairperson and the CEO / Managing Director etc., for the year under review.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual Directors including the Non-Executive Chairman and the Managing Director/CEO, their personal performance carried out using a peer review process, participation, contribution and offering guidance and understanding of the areas which were relevant to them in their capacity and was assessed on selected parameters related to roles, responsibilities and obligations of the Board and functioning of the Committees including assessing the quality, quantity and timeliness of flow of information between the Company's Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

In a separate meeting of the Independent Directors, performance of Non Independent Directors, performance of the Board as a whole and performance of the Chairman were also evaluated, taking into account the views of Executive Director and Non- Executive Directors. The Directors were asked to provide their valuable feedback and suggestions about the overall functioning of the Board and its Committees and its areas of improvement for a higher degree of engagement with the Management.

The Board expressed its satisfaction with the evaluation results, which reflects the high degree of engagement of the Board and its Committees with the Company and its Management. Based on the outcome of the evaluation and assessment cum feedback of the Directors, the Board and the Management have also agreed on some action points, which will be implemented over an agreed period.

17. **FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

In compliance with the requirements of Regulation 25(7) of the SEBI Listing Regulations, 2015, The Familiarization programme for Independent Directors, which also extends to other Non-Executive Directors aims to familiarize them with the Company, nature of the industry, business model, processes & policies, compliances etc., and seeks to update

them on the roles, responsibilities, rights and duties under the Companies Act, 2013 and the SEBI Listing Regulations and other applicable statutes. The details of the induction and familiarization programme for the Directors are given in the Corporate Governance Report, which forms part of the Annual Report.

18. REMUNERATION OF DIRECTORS AND PARTICULARS OF EMPLOYEES

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

The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2019-2020:

Name of Directors	Ratio to the Median Remuneration
Non-Executive Directors	N.A. as they have only received sitting fees for attending meetings of the Board and its Committees during the Financial year 2019-2020
Executive Directors	
Mr. Murarilal Mittal (Managing Director)	27.38 times
Mr. Mayank Mittal (Jt. Managing Director)	25.80 times
Mr. Sumit Kumar Modak (Whole-Time Director)	13.11 times
Mr. Venkateswararao Kandikuppa (Whole-Time Director)	7.49 times

i. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year.

Directors, Chief Financial Officer and Company Secretary	% increase in Remuneration in the financial year
Non-Executive Directors	N.A. as they have only received sitting fees for attending meetings of the Board and its Committees during the Financial year 2019-2020
Mr. Murarilal Mittal (Managing Director)	00.00
Mr. Mayank Mittal (Jt. Managing Director)	00.00
Mr. Sumit Kumar Modak (Whole-Time Director)	00.00

Directors, Chief Financial Officer and Company Secretary	% increase in Remuneration in the financial year
Mr. Venkateswararao Kandikuppa (Whole-Time Director)	00.00
Mr. Mahender Singh Arora (Chief Executive Officer)	(4.75)
Mr. Rakesh Kumar Jain (Chief Financial Officer)	(8.87)
Mr. Shailesh Rakhasiya (Company Secretary & Compliance Officer)	8.48

ii. The percentage increase in the median remuneration of employees in the financial year:

Particulars	2019-2020 (Rs.)	2018-2019 (Rs.)	% Increase/Decrease
Median Remuneration of all employees per annum	2,92,200	2,83,476	3.08

iii. The number of permanent employees on rolls of the Company:

There were **510 (Five Hundred and Ten)** permanent employees as on March 31, 2020.

iv. Average percentile increase/decrease already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase/decrease in the managerial remuneration and justification thereof and point out if there any exceptional circumstances for increase/decrease in the managerial remuneration:

v. The average increase in the salaries of employees excluding Managerial Personnel during Financial Year 2019-20 was **16.61 %**. The average decrease in the Remuneration of Managerial Personnel during the Financial Year 2019-20 was 1.40 %.

vi. The key parameters for any variable component of remuneration availed by the Directors:

There is no variable component of remuneration availed by or paid to directors during the year.

vii. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per remuneration policy of the Company.

viii. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitment affecting financial position of the Company which has occurred between the end of the financial year of the Company i.e. March 31, 2020 and the date of this Report. .

Further, During the year under review, there are no employees who comes within the purview of section 134 (3)(q) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

19. EXTRACT OF ANNUAL RETURN

The extract of the Annual Return of the Company as on March 31, 2020 in Form MGT-9 in accordance with Section 92 (3) of the Act read with Companies (Management and Administration) Rules, 2014, is available on the website of the Company at www.bharatwireropes.com

20. REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS

The Company is committed to maintaining the highest standards of Corporate Governance and adhering to the SEBI Listing Regulations. The Company has complied fully with Corporate Governance requirements under the SEBI Listing Regulations. A separate section on Corporate Governance practices followed by the Company together with a Certificate from Statutory Auditors and Management Discussion and Analysis as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) are annexed and form part of this Annual Report.

21. SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

22. INDIAN ACCOUNTING STANDARDS (INDAS):

The Ministry of Corporate affairs vide its notification dated February 16, 2015 has notified the Companies (Indian Accounting Standards) Rules, 2015. In pursuance of this notification, the financial statements for the year ended March 31, 2020 are prepared in accordance to the same.

23. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013, and to the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors confirm the following statements:

- In the preparation of the annual accounts for the financial year ended March 31, 2020; the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The directors 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 as at March 31, 2020 and of the profit and loss of the Company for the year ended on that date;

- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors had prepared the annual accounts on a going concern basis;
- The Directors had laid down internal financial controls to be followed by the company and those internal financial controls were adequate and were operating efficiently; and
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

24. AUDITORS

Statutory Auditors

M/s. Sureka Associates, Chartered Accountants, Mumbai (Firm Registration No.: **110640W**) were appointed as Statutory Auditors of the Company from the conclusion of 33rd Annual General Meeting held on August 14, 2019, till the conclusion of the 34th Annual General Meeting.

The Board of Directors, on recommendation of Audit Committee, in its Meeting held as on July 16, 2020 had confirmed the appointment of M/s. NGS and Co. LLP, Chartered Accountants, Mumbai (Firm Registration No.: **0119850W**) for the term of 5 (Five) years commencing from the conclusion of 34th Annual General Meeting till the conclusion of 39th Annual General Meeting of the Company. The Board recommends the appointment of New Auditor to the members at the ensuing 34th Annual General Meeting.

M/s. NGS and Co. LLP, Chartered Accountants has confirmed their eligibility and given consent under Sections 139 and 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as the Auditors of the Company for a term of 5 (Five) years commencing from the conclusion of 34th Annual General Meeting till the conclusion of 39th Annual General Meeting of the Company. In terms of the SEBI Listing Regulations, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI.

Further, the report of the Statutory Auditors along with the notes to accounts is enclosed with the Financial Statements. The Auditors have issued an unmodified opinion on the Financial Statements for the financial year ended March 31, 2020. The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

Comments on Statutory Auditors Report:

Observations	Comments
The Company has defaulted in the repayment of loans / interest	The Company could not generate sufficient funds to honor the repayment of Loans/ interest, therefore company has submitted restructuring proposal to Banks.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed **M/s. APC & Associates**, Practicing Company Secretaries (Membership number: **A45143**, Certificate of Practice number: **21555**), to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2020 and issued the Secretarial Audit Report in Form MR-3 as the aforesaid provisions. The Secretarial Audit Report is annexed to this report.

Comments on Secretarial Auditor's Report:

Observations	Comments
<ul style="list-style-type: none"> Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company have failed to attach Certificate of Non-Disqualification of Directors in the 33rd Annual Report; Pursuant to Regulation 23(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has not taken prior approval of Audit Committee for related party transactions proposed to be entered by the Company. 	<ul style="list-style-type: none"> The Company duly obtained Certificate of Non-Disqualification of Directors from the Practicing Company Secretary M/s. Mihen Halani & Associates and the same is the part of the Annual Report. It may be noted that the said Certificate of Non-Disqualification of Directors were missing in the copies of annual report and the same was due to some printing issues. The Company duly obtained all the necessary approvals from board as required under the provisions of SEBI (LODR) as well as Companies Act, 2013 respectively. The audit committee was duly informed about the said transactions. It is pertinent to note that all the said transactions are at arms-length price and in ordinary course of business. The reporting of same is also made to stock exchanges on quarterly basis from time to time.

Pursuant to the circular issued by the SEBI dated 8 February, 2019, Secretarial Auditor has issued the "Annual Secretarial Compliance Report" for the year ended March 31, 2020 and the same was submitted to the stock exchanges in time.

Cost Auditors:

The company is required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained by the Company. The Board of Directors had appointed **M/s. Dilip M. Bathija**, Cost Accountant (Firm Registration No. **100106**), as the Cost Auditors of your Company for the financial year 2019-2020 to conduct the audit of the cost records of your Company.

Pursuant to Section 148 and other applicable provisions, if any of the Companies Act, 2013 read with Companies (Cost record and Audit) Rules, 2014, the Board of Directors of your Company has appointed **M/s. Dilip M. Bathija**, Cost Accountant (Firm Registration No. **100106**) as the Cost Auditor for the financial year 2020-2021 on the recommendations made by the Audit committee. The remuneration proposed to be paid to the Cost Auditor, subject to the ratification by the members at the ensuing Annual General Meeting, would be not exceeding INR 1,00,000/- (Rupees One Lakh only) excluding taxes and out of pocket expenses, if any. Your directors recommend approval of said remuneration to the Cost Auditors of the Company. Your company has received consent from M/s. Dilip M. Bathija, Cost Accountant (Firm Registration No. 100106), to act as the Cost Auditor of your company for the financial year 2019-2020 and 2020-2021 along with certificate confirming their Independence.

Internal Auditor:

M/s. Borkar & Muzumdar, Chartered Accountants (Firm Registration No.: **101569W**), Mumbai performed the duties of internal auditors of the company for the Financial Year 2019-2020 and their report is reviewed by the audit committee from time to time.

25. BUSINESS RISK MANAGEMENT

Your Company has laid down Risk Management Policy to identify risks inherent in the business operations of the Company which provides guidelines to define, measure, report, control and mitigate the identified risks. An enterprise-wide risk management framework is applied so that effective management of risks can be done. Risk is an integral part of every employee's job. The Audit Committee and Risk Management Committee play an important role in evaluation of the risk management systems. The Policy is devised for identification of elements of risks and procedures for reporting the same to the Board. The Board reviews the business plan at regular intervals and develops the Risk Management Strategy which shall encompass laying down guiding principles on proactive planning for identifying, analyzing and mitigating all the material risks, both external and internal viz. Environmental, Business, Operational, Financial and others.

26. CORPORATE SOCIAL RESPONSIBILITY

Your Company does not fall under the criteria of undertaking Corporate Social Responsibility activities as per the Section 135 of the Act.

27. DEPOSITS

The Company did not hold any public deposits; neither accepted nor renewed any fixed deposits during the year.

28. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Annual Report.

29. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH PARTIES

All related party transactions entered and executed during the year under review were in ordinary course of business and on arms' length basis. There were no material contracts or arrangements or transactions with related parties, therefore Form AOC-2 does not form part of this report. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors or Key Managerial Personnel, etc., which may have potential conflict with the interest of the Company at large. A statement of all Related Party Transactions is presented before the Board on a quarterly basis, specifying the nature, value and terms & conditions of the transactions. The said transactions were unanimously approved by the Board.

Policy on Materiality of and dealing with Related Party Transaction of the Company is available on the website of the Company and can be accessed at the web link: www.bharatwireropes.com

30. VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has established a Vigil Mechanism for its Directors and employees to report their genuine concerns or grievances. The said mechanism encompasses the Whistle Blower Policy and provides for adequate safeguards against victimization of persons who use the mechanism. It also provides direct access to the Chairman of the Audit Committee in appropriate and exceptional cases. The Vigil Mechanism and Whistle Blower Policy are available on the Company's website (www.bharatwireropes.com). The concerned employees and the Directors of the Company are made aware of the said policy from time to time.

31. DETAILS REGARDING BHARAT WIRE ROPES LIMITED EMPLOYEE STOCK OPTION PLAN, 2017 ("BWR ESOP 2017")

Your Company has formulated the Bharat Wire Ropes Limited Employee Stock Option Plan, 2017 ("BWR ESOP 2017"), for grant of Stock Options to certain employees of the Company. BWR ESOP 2017 was approved by the Members pursuant to the Special Resolution passed through Postal Ballot on March 22, 2017. During the year under review, the Company has neither issued nor allotted any stock options. As on March 31, 2020 Your Company has granted 18,08,500 number of options to employees so far.

The Board of Directors confirms that there are neither any new plans introduced nor there were any material changes made in the existing ESOP Plans and all the existing ESOP Plans comply with the SEBI Guidelines. Details of shares issued under ESOPs, as also the disclosure in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014, read with SEBI circular dated June 16, 2015 are uploaded on the website of the Company at web link www.bharatwireropes.com.

The Annual Certificate from the Statutory Auditors stating that the ESOP Plans have been implemented in accordance with the SEBI Regulations and the resolutions have been passed by the members in their general meeting, will be obtained.

32. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

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

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange earnings and

outgo as required under Section 134(3) (m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is as under:

(A) Conservation of Energy:

The Company has taken various steps as per requirement to monitor actual use of Blowers, Heaters, Cooling tower Fans etc., and cooling tower fan controlled as per requirement with VFD, thereby saving energy installed efficient transformer in order to reduce the loss for power transformation on our plant.

(B) Technology Absorption:

BWR has taken one step further towards technological increase in productivity and reduce equipment down time. Developed in house android based Material and maintenance management application. A user friendly Monitor by measures including performance of the equipment, workforce productivity, material requirement different stages of production. It helps to protect assets, increase equipment life time, Improve system reliability. Reduce unknown incidents and improve equipment reliability with proactive & preventive maintenance processes. Enhance productivity of the machinery and streamline workflow by improving MTBF and reducing Equipment down time (reactive).

There have been no other technology changes in the Company during the year under review, but Company is under process to bring more technological revolution by installing high end technology for its plant in Chalisgaon, Maharashtra

(C) Foreign Exchange Earnings and Outgo:

Sr. No.	Particulars	2019-20	2018-19
1.	Foreign Exchange Earnings(Inflow)	15,59,96,396	25,32,41,831
2.	Value of Direct Import (C. I. F. Value)	17,68,88,136	29,45,61,705
3.	Expenditure in Foreign Currency (Outflow)	1,71,75,300	8,51,75,263

34. COMPLIANCE WITH PROVISIONS OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to uphold and maintain the dignity of women employees and an Internal Complaints Committee has been formed for each location of the Company under the Sexual Harassment of Women at

Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Further, the Company has also framed Sexual Harassment Policy of Bharat Wire Ropes Limited to prevent sexual harassment of women at work place. During the year under review, no case of Sexual harassment was reported to the Internal Complaints Committee.

35. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company has a robust internal control system commensurate with the size and scale of its operations. Roles and responsibilities are clearly defined and assigned. Standard operating procedures are in place by way of built in controls in ERP system and have been designed to provide a reasonable assurance. A reputed Chartered Accountants firm has also been engaged for internal audit, covering all units and business operations. The Audit Committee reviews the adequacy and effectiveness of internal control systems and provides guidance for further strengthening them. Apart from having all policies, procedures and internal audit mechanism in place, your Company also periodically engages outside experts to carry out an independent review of the effectiveness of various business processes. The observations and good practices suggested are reviewed by the Management and Audit Committee and appropriately implemented with a view to continuously strengthen internal controls.

36. CEO/CFO CERTIFICATION

In terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the certification by the Managing Director and Chief Financial Officer on the financial statements and Internal Controls relating to financial reporting has been obtained.

37. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of Seven years. Therefore there were no funds which were required to be transferred to investor Education and Protection Fund (IEPF).

38. MISCELLANEOUS

- Your company has not issued equity shares with differential rights as to dividend, voting or otherwise;
- Your Company did not allot any equity share as sweat equity shares. Therefore, no disclosures as required under Rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014;

39. APPRECIATION AND ACKNOWLEDGEMENT

Your Directors are grateful to the Shareholders and Investors for their continued patronage and confidence in the Company over the past several years. Your Directors also thank the Central and State Governments, other Statutory and Regulatory Authorities for their continued guidance, assistance, co-operation and support received.

Your Directors thank all our esteemed clients, associates, bankers, vendors and contractors and other stakeholders at large within the country and overseas for their continued support, faith and trust reposed in the professional integrity of the Company. With continuous learning, skill up gradation and technology development Company will continue to provide world class professionalism and services to its clients, associates, vendors and contractors.

Your Directors also wish to convey their sincere appreciation to all employees at all levels for their dedicated efforts and consistent contributions and co-operation extended and is confident that they will continue to contribute their best towards achieving still better performance in future to become a significant leading player in the industry in which Company operates.

On behalf of Board of Directors of

Bharat Wire Ropes Limited

Murarilal Mittal
Managing Director
DIN: 00010689

Venkateswararao Kandikuppa
Whole-Time Director
DIN: 06456698

Date: August 16, 2020

Place: Mumbai

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

To,

**The Members,
 Bharat Wire Ropes Limited
 CIN: L27200MH1986PLC040468**

BSE Scrip Code: 539799/ ISIN: INE316L01019

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

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

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

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

Regulations, 2015;

- c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- e) The Securities And Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014;
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 -**Not Applicable during the period under review;**
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable during the period under review, and**
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 -**Not Applicable during the period under review.**
- vi. We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other various applicable Acts, Laws, Rules and Regulations to the Company.

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

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

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

We further report that:

- a) During the year under review, the Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The committee of the Board is duly constituted. The changes in the composition of the Board of Directors that

took place during the period under review were carried out in compliance with the provisions of the Act.

- b) Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and notes on agenda were sent adequately in advance as deem fit to the Board and adequate system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever applicable.

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

We further report that during the year;

- Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company have failed to attach Certificate of Non-Disqualification of Directors in the 33rd Annual Report;*
- Pursuant to Regulation 23(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has not taken prior approval of Audit Committee for related party transactions proposed to be entered by the Company.*

We further report that during the audit period, the Company has not undertaken any event /action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

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

For APC & ASSOCIATES
Practicing Company Secretaries

Date: 31/07/2020
Place: Mumbai
UDIN: A045143B000541573

Abhishek Chhag
(Proprietor)
CP No: 21555
ACS No: 45143

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

"Annexure A"

To,

The Members,
Bharat Wire Ropes Limited
CIN: L27200MH1986PLC040468
BSE Scrip Code: 539799/ ISIN: INE316L01019

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

- Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For APC & ASSOCIATES
Practicing Company Secretaries

Date: 31/07/2020
Place: Mumbai
UDIN: A045143B000541573

Abhishek Chhag
(Proprietor)
CP No: 21555
ACS No: 45143

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance pursuant to the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) for the financial year ended 31st March, 2020. This report on Corporate Governance is divided into the following parts:

- I. Company's philosophy on Code of Corporate Governance
- II. The Board of Directors ("Board")
- III. Audit Committee
- IV. Nomination and Remuneration Committee
- V. Stakeholders Relationship Committee
- VI. Other committee ("Finance Committee")
- VII. Risk Management Committee
- VIII. General Body Meetings
- IX. Material related party transaction
- X. Means of Communications
- XI. General Shareholder information.
- XII. Other Disclosures

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Effective corporate governance is the basis for decision-making and control processes and comprises responsible, value based management and monitoring focused on long-term success, goal-orientation and respect for the interests of our stakeholders. It provides the framework for attaining a company's objectives while balancing the interests of all its stakeholders.

Your Company is dedicated to conduct its business consistently with the highest standards of business ethics and values. We have an obligation towards our stakeholders including shareholders, employees, customers, suppliers and communities to be honest, fair and forthright in our business activities.

The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board, with all the Members bringing in expertise in their respective domains;
- Availability of information to the Members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material, operational and financial information to the Stakeholders;
- Proper business conduct by the Board, Senior Management and employees.

II. THE BOARD OF DIRECTORS:

The Company recognizes and embraces the importance of a diverse Board in its success and it believes that a truly diverse Board would leverage differences in thought, perspective, knowledge, skill and industry experience, which will enrich Board discussions and enable effective decision making. Your Company actively seeks to adopt best practices for an effective functioning of the Board and believes in having a truly diverse Board whose wisdom and strength can be leveraged for earning higher returns for its shareholders and better Corporate Governance. Therefore, the Board is an ideal mix of Knowledge, perspective, professionalism, divergent thinking and experience.

In line with the applicable provisions of the Act and the SEBI Regulations, your Company's Board has an optimum combination of Executive and Non-Executive Directors with more than half of the Board comprising Independent Directors. The Board effectively separates the functions of governance and management and balances deliverables.

Skills / Expertise / Core Competencies of the Board

The Board of the Company is structured having requisite level of education/qualifications, professional background, sector expertise, special skills, nationality and geography. The Board after taking into consideration the Company's nature of business, core competencies and key characteristics has identified the following core skills/ expertise/ competencies as required in the context of its business(es) & sector(s) for it to function effectively and which are currently available with the Board.

i. Composition and Category of the Board:

The Company is managed by the Board of Directors in synchronization with the Senior Management team. The Board does not step into the management shoes, it reviews the strategy, asks the right questions, and mentors the management

for sustainable profitable growth of the Company. There is a complete alignment between the Board and the Management on the respective roles. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

The Company has a judicious mix of Executive and Non-Executive Directors as governed by the Companies Act, 2013 (the “Act”), and the stipulations laid down in the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). As on March 31, 2020, the Board comprised of 08 (Eight) Directors out of which 4 (four) are Executive Directors (i.e. 50 %), 3 (three) are Non-Executive Independent Directors (i.e. 37.50 %) and one is Non-Executive Non-Independent Woman Director (12.5%). The Chairman of the Board is a Non-Executive Independent Director. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations and Section 149 of the Act and other applicable regulatory requirements.

As on the date of this report, all Directors of the Company meet the criteria of maximum number of directorship as laid down in section 165 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act. The maximum tenure of Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act.

Details of Directorship/Committee Membership as on March 31, 2020:

Sr. No	Name of the Director	Original date of appointment	Category	Companies Directorship(1)		Membership in companies Board Committees(2)	
				Chairman	Member	Chairman	Member
1.	Mr. Sanjiv Swarup DIN: 00132716	28/04/2018	Chairman & Independent Director	-	1	-	2
2.	Mr. Murarilal Mittal DIN: 00010689	03/11/2010	Managing Director (Promoter)	-	1	-	2
3.	Mr. Mayank Mittal DIN: 00127248	12/11/2016	Joint Managing Director (Promoter)	-	1	-	-
4.	Mr. Sumit K. Modak DIN: 00983527	01/01/2016	Whole-Time Director	-	1	-	-
5.	Mr. Venkateswararao Kandikuppa DIN: 06456698	01/01/2016	Whole-Time Director	-	1	-	1
6.	Mr. Shivkumar Malu DIN: 05345172	15/02/2017	Non-Executive Independent Director	-	1	-	1
7.	Mr. Satyendra Nayak DIN: 08194706	13/08/2018	Non-Executive Independent Director	-	1	-	-
8.	Ms. Ruhi Mittal DIN: 07159227	16/04/2015	Non-Executive Non- Independent Director	-	1	1	-

Note:

- (1) This excludes directorships in private limited companies, foreign companies and companies licensed under Section 8 of the Companies Act, 2013 / Section 25 of the Companies Act, 1956;
- (2) This relates to membership of Committees referred to in Regulation 26(1) of the Listing Regulations, viz. Audit Committee and Stakeholders Relationship Committee of all public limited companies, whether listed or not and excludes private limited companies, foreign companies and companies licensed under Section 8 of the Companies Act, 2013 / Section 25 of the Companies Act, 1956;
- (3) Mr. Satyendra Nayak resigned as Independent Director W.e.f. April 20, 2020.

Brief profile of each of the above Directors/Key Managerial Personnel’s of the Company is available on the Company’s website: <http://www.bharatwireropes.com>.

Further, the independent directors who resigned, has confirmed that that there is no other material reason other than those provided in the resignation letter submitted to the Company.

ii. Meetings of the Board:

The Board meets at least once in a quarter, *inter alia*, to review the quarterly financial result, performance of the Company, status of compliance of laws, review of business and functions, material transactions and other similar matters. The gap between any two Board Meetings did not exceed one hundred and twenty days, as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The members of the Board have complete access to all the information of the Company.

During Financial Year ("F.Y.") 2019-20, 5 (Five) Board Meetings were held on May 25, 2019; July 12, 2019, August 14, 2019, November 08, 2019 and February 05, 2020.

The necessary quorum was present for all the meetings. The notice and detailed agenda along with the relevant notes and other material information were sent in advance separately to each Directors and in exceptional cases tabled at the Meeting with the approval of the Board.

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

Name of the Director(s)	Core Skills/Expertise	Name of the listed entities where a person is director	Category of director	Detailed reasons or the resignation of an independent director who resigns before the expiry of his tenure (as applicable)
Mr. Sanjiv Swarup DIN: 00132716	Expertise in the field of Finance	Bharat Wire Ropes Limited	Independent Director	Not Applicable
Mr. Murarilal Mittal DIN: 00010689	Expertise in the field of Banking, Finance, Business Development, Compliances	Bharat Wire Ropes Limited	Managing Director	Not Applicable
Mr. Mayank Mittal DIN: 00127248	Expertise in the field of Business Development, Administration, Information Technology	Bharat Wire Ropes Limited	Joint Managing Director	Not Applicable
Mr. Sumit K. Modak DIN: 00983527	Expertise in the field of Wire Rope Industries	Bharat Wire Ropes Limited	Whole-Time Director	Not Applicable
Mr. Venkateswararao Kandikuppa DIN: 06456698	Expertise in the field of Government approvals, Liaisoning with Government Authority & Compliances	Bharat Wire Ropes Limited	Whole-Time Director	Not Applicable
Mr. Shiv Kumar Malu DIN: 05345172	Practicing Professional in the field of Taxation, Audit, Finance	Bharat Wire Ropes Limited	Independent Director	Not Applicable
Mr. Satyendra Nayak DIN: 08194706	Expertise in the field of Forex & Treasury	Bharat Wire Ropes Limited	Independent Director	Not Applicable
Ms. Ruhi Mittal DIN: 07159227	Expertise in the field of Law, Management (Human Resources) and Corporate Legal	Bharat Wire Ropes Limited	Non-Executive and Non-Independent Director	Not Applicable

Details of Directors attendance at Board Meetings and at the last Annual General Meeting (AGM) held during the financial year 2019-20:

Sr. No.	Name of the Director	AGM August 14, 2019	Board Meeting Number					Held During tenure	Attended	% of Attendance
			1	2	3	4	5			
1	Mr. Sanjiv Swarup	No	1	1	1	0	1	5	4	80%
2	Mr. Murarilal Mittal	Yes	1	1	1	1	1	5	5	100%
3	Mr. Mayank Mittal	Yes	0	1	0	1	0	5	2	40%
4	Mr. Sumit K. Modak	No	0	0	0	1	0	5	1	20%
5	Mr. Venkateswararao Kandikuppa	Yes	0	1	0	1	0	5	2	40%
6	Mr. Shivkumar Malu	Yes	1	0	1	1	0	5	3	60%
7	Mr. Satyendra Nayak	No	1	1	0	1	1	5	4	80%
8	Ms. Ruhi Mittal	Yes	0	0	1	1	0	5	2	40%

iii. Shareholding of Non-Executive Directors as on March 31, 2020:

The individual shareholding of Non-Executive Directors (including shareholding as joint holder) as on March 31, 2020 is given below:

Sr. No.	Name of Non-Executive Director	No. of Shares Held
1	Mr. Sanjiv Swarup	14,700
2	Mr. Shiv Kumar Malu	3,500
3	Mr. Satyendra Nayak	NIL
4	Ms. Ruhi Mittal	NIL

iv. Familiarisation Programme for Independent Directors:

In compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company has put in place a familiarisation programme for the Independent Directors to familiarise them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates business model, etc.

Further, at the time of appointment of independent director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities. Presentations are also made at the Board meetings which facilitates them to clearly understand the business of the Company and the environment in which the Company operates industry and regulatory updates, strategy, finance, risk management framework.

The broad principles as followed by the Company to familiarize its Directors, including Independent Directors is available on the Company website <http://www.bharatwireropes.com>.

The Policy of conducting the Familiarisation Programme has been disclosed on the website of the Company at <https://www.bharatwireropes.com/investor-relations/shareholders-information>.

v. Independent Directors Meeting:

During the year the Independent Directors meeting were held on November 14, 2019.

The terms of reference of the Independent Directors includes various matters in conformity with the statutory guidelines including the following:

- Review the performance of Non – Independent Directors and the Board as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non – Executive Directors;
- Assess the quality, quantity and timelines of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Sr. No.	Name of Member	Category	No. of Meetings held during the year	No. of Meetings Attended
1.	Mr. Sanjiv Swarup	NEID	1	1
2.	Mr. Shivkumar Malu	NEID	1	1
3.	Mr. Satyendra Nayak	NEID	1	1

NEID – Non-Executive Independent Director

vi. Inter-se relationships among Directors:

Mr. Murarilal Mittal, Managing Director of the Company is father of Mr. Mayank Mittal, Joint Managing Director of the Company.

Mr. Manan Mittal, General Manager - Administration and Information Technology is son of Mr. Murarilal Mittal, Managing Director as well as younger brother of Joint-Managing Director Mr. Mayank Mittal.

III. AUDIT COMMITTEE:

In line with the provisions of Regulation 18 of Listing Regulations, read with Part C of Schedule II and Section 177 of the Act, thereto, a four member Audit committee of the Board (“AC”) comprises three independent Director and one Non-Executive Director. All Members of the Committee are financially literate. The Committee invites statutory auditor and the internal auditor for one-on-one discussion, independent of the management. The Chief financial officer of the Company and the members of the finance committee are present at the Audit Committee for relevant Agenda matters. Mr. Shailesh Rakhasiya, Company Secretary & Compliance Officer of the Company acts as the Secretary to the Committee.

The Audit Committee met **4 (four)** times during the period under review for FY 2019-20 viz, May 25, 2019, July 08, 2019, August 14, 2019, February 05, 2020. The Composition of the Audit Committee along with the details of the meetings held and attended during the aforesaid period is detailed below:

Sr. No.	Name of Member	Position	Category	No. of Meetings held during the year	No. of Meetings Attended
1.	Mr. Sanjiv Swarup	Chairman	NEID	4	3
2.	Mr. Murarilal Mittal	Member	MD	4	4
3.	Mr. Shivkumar Malu	Member	NEID	4	3
4.	Mr. Satyendra Nayak	Member	NEID	4	3

NEID – Non-Executive Independent Director, MD – Managing Director, ANEID – Additional Director Non- Executive Independent Director

There was no change in the composition of the Audit Committee during the year under review.

The Charter of Audit Committee, inter- alia, articulates its role, responsibility and powers as follows:

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post- audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
21. To review Management discussion and analysis of financial condition and results of operations;
22. To review Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
23. To review Management letters / letters of internal control weaknesses issued by the statutory auditors;
24. To review Internal audit reports relating to internal control weaknesses;
25. To review appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
26. To review Statement of deviations:
 - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

IV. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee (“NRC”) of the Company is constituted in line with the provisions of Regulation 19 of the Listing Regulations, read with Part D of Schedule II and Section 178 of the Act. During the year Nomination and Remuneration Committee meeting were held on August 14, 2019.

As on the date of this report, Nomination and Remuneration Committee (“NRC”) comprised of 3 (three) Members. All Members of NRC are Non-Executive Independent Directors. As per details in the following table:

Sr. No.	Name of Member	Position	Category	No. of Meetings held during the year	No. of Meetings Attended
1.	Mr. Shivkumar Malu	Chairman	NEID	1	1
2.	Mr. Sanjiv Swarup	Member	NEID	1	1
3.	Mr. Satyendra Nayak	Member	NEID	1	1

– **Non-Executive Independent Director, MD – Managing Director, ANEID – Additional Director Non- Executive Independent Director**

There was no change in the composition of the Nomination and Remuneration Committee during the year under review.

The terms of reference of the NRC includes various matters in conformity with the statutory guidelines including the following:

1. Adopt rules and regulations for implementing the Employee Stock Option Plan (‘Plan’) from time to time;
2. Identification of classes of Employees entitled to participate in the Plan;
3. Grant Options to the identified Eligible Employee and determine the Grant date;
4. Determine the number of Options to be granted to each Grantee and in aggregate subject to the ceiling under the Plan;
5. To decide the specified time period within which the Employee shall exercise the vested options in the event of termination or resignation of an Employee;
6. To accelerate the vesting of options on a case to case basis, as the Committee deems fit, subject to completion of minimum 1 year from the date of grant of options;
7. To modify the vesting schedule on a case to case basis, as the Committee deems fit, subject to completion of minimum 1 year from the date of grant of options;

8. To decide upon the right of an Employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
9. The Vesting and Exercise of option in case of Employees who are on long leave i.e. who are on leave of more than 3 months;
10. The procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues etc. In this regard, the following shall, inter alia, be taken into consideration by the Nomination and Remuneration Committee:
 - a. the number and price of options shall be adjusted in a manner such that total value to the Employee of the options remains the same after the corporate action;
 - b. the vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the Employee(s) who is granted such options;
11. Determine the treatment of options granted in case of merger, sale, acquisition etc. of the company;
12. Determine the method for exercising the Vested Options, period of Exercise, etc.;
13. Determine the Exercise price of the Options Granted;
14. Re-pricing of the options which are not exercised, whether or not they have been vested if Employee stock options are rendered unattractive due to fall in the price of the shares in the market;
15. Determine the terms and conditions, not inconsistent with the terms of the Plan, of any Option Granted hereunder;
16. Determine the terms and conditions under which Vested option can lapse in case of termination of employment on the grounds of misconduct;
17. Approve forms or agreements for use under the Plan;
18. Transferability of Employee stock options;
19. Decide all other matters that must be determined in connection with an Option under the Plan in accordance with SEBI Regulations;
20. Construe and interpret the terms of the Plan, and the Options Granted pursuant to the Plan; and
21. To frame suitable policies to ensure that there should be no violation of: -
 - a. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2016; and
 - b. Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
22. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
23. Formulation of criteria for evaluation of performance of independent directors and the Board of Directors;
24. Devising a policy on diversity of Board of Directors;
25. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
26. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

i. ***Policy on nomination and remuneration:***

Pursuant to the requirements of Section 178 of the Act and corresponding provisions contained in Regulation 17 of the SEBI Regulations, the Committee has approved the Nomination and Remuneration Policy on Nomination, Removal, Remuneration and Board Diversity (hereinafter referred as 'NR Policy').

The NR policy covers the following aspects:

- Appointment and removal of Directors, Key Managerial Personnel and employees in Senior Management.
- Remuneration to the Directors, Key Managerial Personnel, and employees in Senior Management.
- Familiarization Programme Independent Directors.

- Succession Plan for Directors, key Managerial Personnel and employees Senior Management.
- Board Diversity
- Evaluation of Individual Directors, chairperson of the Board, the Board as a whole and the Committees of the Board.

The Nomination & Remuneration Policy of the Company can be accessed at the following link Company website <http://www.bharatwireropes.com>.

ii. **Board Evaluation :**

The Nomination and Remuneration Policy of the Company empowers the Nomination and Remuneration Committee to formulate a process for evaluating the performance of Individual Directors, Committees of the Board and the Board as a whole.

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

In a separate meeting, the Independent Directors evaluated the performance of Non-Independent Directors and performance of the Board as a whole. They also evaluated the performance of the Chairman taking into account the views of Executive Directors and Non-Executive Directors. The NRC reviewed the performance of the Board, its Committees and of the Directors. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with Stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment. The Board of Directors has expressed its satisfaction with the evaluation process.

iii. **Remuneration to Directors:**

a. **Remuneration to Non-Executive Directors:**

- Non-Executive Directors (“NEDs”) are paid remuneration by way of Sitting Fees;
- During the F.Y. 2019-20, no Commission was paid to the Non-Executive Directors;
- There were no pecuniary relationship / transactions between non-executive directors and the Company;
- No amount by way of loan or advance has been given by the Company to any of its Directors;
- The sitting fees payable to the NEDs for attending the Board and Committee meetings is fixed subject to the statutory ceiling. The fee is reviewed periodically.

The detail of sitting fees paid/payable to the Non-Executive Independent Director and Non-Executive Non-Independent Directors for the F.Y. 2019-20 are given below:

Sr. No.	Name	Category	Sitting Fees in (Rs.)
1.	Mr. Sanjiv Swarup	Chairman & Non-Executive Independent Director	47,250
2.	Mr. Shivkumar Malu	Non-Executive Independent Director	47,250
3.	Mr. Satyendra Nayak	Non-Executive Independent Director	56,250
4.	Ms. Ruhi Mittal	Non-Executive & Non-Independent Director	20,000

b. **Remuneration to Non-Executive Directors:**

The appointment and remuneration of Executive Directors including Managing Director and Whole-Time Director is governed by recommendation of the Nomination and Remuneration Committee (“NRC”), resolutions passed by the Board of Directors and Shareholders of the Company. Payment of remuneration to Executive Directors is governed by the respective agreements executed between them and the Company. Annual increments are linked to performance and decided by the NRC and recommended to the Board for approval thereof.

The remuneration policy is designed to create high performance culture. It enables the company to attract, retain and motivate employees to achieve results. The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Managing Directors and the Executive Directors.

Services of Managing Director and other Executive Director may be terminated by either party, giving six months’ written notice or by any shorter notice as may be mutually agreed between the Director and the Board of Directors. There is no separate provision for severance fees.

Executive Directors will not be paid sitting fees for any Board/Committee Meetings attended by them.

Details of Remuneration paid to Executive Directors for the F.Y. ended March 31, 2020:

Sr. No.	Name	Category	Total Remuneration (Rs.)	Service Contracts
1.	Mr. Murarilal Mittal	Managing director	80,00,004	5 years from October 17, 2017
2.	Mr. Mayank Mittal	Joint Managing Director	75,39,600	5 years from November 12, 2016
3.	Mr. Sumit Kumar Modak	Whole-Time Director	38,29,904	5 years from January 1, 2016
4.	Mr. Venkateswararao Kandikuppa	Whole-Time Director	21,88,212	5 years from January 1, 2016

V. **STAKEHOLDERS AND RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee (“SRC”) of the Company is constituted in compliance with the requirements of the Provisions of Regulation 20 of the Listing Regulations, read with Part D of Schedule II and Section 178 of the Companies Act, 2013. During the year Stakeholders and Relationship Committee Meetings were held on August 14, 2019.

The terms of reference of the SRC, inter-alia, includes the following:

1. Consider and resolve the grievances of security holders of the Company, including complaints related to transfer/ transmission of securities, non-receipt of annual report / declared dividends / notices / balance sheet, issue of new/ duplicate certificates, general meetings etc.
2. Monitor and Reviewing of investors complaints and take necessary steps for redressal thereof;
3. To perform all functions relating to the interest of the Stakeholders of the Company as may be required by the provisions of the Companies Act, 2013 and the rules made thereunder, Listing Agreements and the guidelines issued by SEBI or any other regulatory authority.

The Company attends to the shareholders’ / Investors’ grievances / correspondence expeditiously.

As on the date of this report, Stakeholders Relationship Committee (“SRC”) comprised of 4 (four) Members. As per details in the following table:

Sr. No.	Name of the Member	Position	Category	No. of Meetings held during the tenure	No. of Meetings Attended
1.	Ms. Ruhi Mittal	Chairperson	NENID	1	1
2.	Mr. Murarilal Mittal	Member	MD	1	1
3.	Mr. Venkateswararao Kandikuppa	Member	NEID	1	1
4.	Mr. Sanjiv Swarup	Member	NEID	1	1

NENID – Non-Executive & Non-Independent Director, NEID – Non-Executive Independent Director, MD Managing Director

Compliance Officer: Mr. Shailesh Rakhasiya

Company Secretary and Compliance Officer

Fax: 022-66824666

Tel: 022-66824600

E-mail: compliance@bharatwireropes.com

Details of Shareholders’ Complaints Received, resolved and Pending during F.Y. 2019-2020

Number of complaints received in the F.Y. 2019-20	NIL
Number of complaints resolved in the F.Y. 2019-20	NIL
Number of pending complaints as on March 31, 2020	NIL

Your Company obtains half yearly certificate from a Company Secretary in Practice confirming the issue of certificate for transfer, sub-division, consolidation etc., within the prescribed timelines and submits a copy thereof to the stock exchanges in terms of Regulation 40(9) of the SEBI Regulations. Further the Compliance Certificate under Regulation 7(3) of the SEBI Regulations, confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Transfer facility are maintained by Registrar and Transfer Agent is also submitted to the Stock Exchanges on a half yearly basis.

VI. FINANCE COMMITTEE:

The Board of Directors have constituted the Finance Committee at its Meeting held on May 29, 2016. The Finance Committee has the authority to exercise following powers of the Board of Directors in between two consecutive Board Meetings, except the powers reserved for the Board or the Shareholders Relationship Committee under the Act:

1. To borrow monies and/or avail of financial facilities for the business of the company by way of loans, advances, deposits, deferred payment credits, guarantees, letters of credit and/or any other nature of credit or financial facilities from:
 - a. Any one or more of the public financial institutions, specified by or under Section 2(72) of the Companies Act, 2013 or from any other financial or investment institutions participating in one or more of the credit scheme or from any other financial or India or overseas engaged in the business of providing loans, advances or other credit or financial facilities whatsoever; and
 - b. Any commercial bank.

Provided that during the interval of any two consecutive meetings of the Board of Directors of the Company, the aggregate amount of such facilities from any one of the aforesaid institutions, banks or entities shall not, however, exceed a sum of Rs. 200 Crores;

2. To pre-pay / repay the loans, advances, deposits availed from any bank, financial or investment institution, mutual fund or body corporate on such terms as may be deemed fit;
3. To borrow and/or avail working capital facilities from commercial banks as under:
 - a. Cash credit facilities;
 - b. Bill discounting facilities;
 - c. Other similar working capital facilities or borrowing.

Provided that, during the interval of any two consecutive meetings of the Board of Directors of the Company, the total aggregate amount so borrowed from any one bank shall however not exceed Rs. 200 Crores;

4. To avail non-fund based limits for:
 - a. Deferred payment credit guarantees;
 - b. Other guarantees;
 - c. Letters of credit; and
 - d. Other non-fund based limits.

Provided that during the interval of two consecutive meetings of the Board of Directors of the Company, the total facilities availed against each category shall not at any time exceed Rs. 200 Crores;

5. To avail any other short term loans, advances, overdraft or note loan facility from any bank, financial or investment institution, mutual fund or body corporate with or by a negative lien on the Company's investments or by a negative lien on the Company's investments or otherwise.

Provided that during the interval of any two consecutive meetings of the Board of Directors of the Company, the total aggregate amount so borrowed from the banks, financial institutions or investment institutions or mutual funds or bodies corporate shall not exceed Rs. 200 Crores;

6. To authorize the officers of the Company to undertake and enter into all types of foreign currency contracts for hedging its underlying outstanding import and export exposures and other foreign currency liabilities of the Company, as may be permitted by the Reserve Bank of India and/or other authorities from time to time, with one or more banks;
7. To authorize the officers of the Company to undertake and enter into foreign exchange transactions, including currency options, swaps to convert rupee liabilities into foreign currency liabilities to hedge currency and interest rate risks/ fluctuations in respect of its export and import contracts, foreign currency & rupee liabilities and other foreign currency related matters as may be permitted by the Reserve Bank of India and/or other authorities, from time to time, with one or more banks;
8. To authorize any person whether jointly or singly with any other person to open, operate, and or otherwise close any account with any bank including to authorize such person or make modifications in the authorized person, as aforesaid to place, deposit, overdraw as also to draw or endorse and or deposit any cheques, bills of exchange, promissory notes and to any such bank as may be authorized by the Committee from time and to withdraw, cancel, revoke, modify or alter any such powers whether given by the Committee or by the Board from time to time;

9. To authorize execution of various deeds, documents, agreements, promissory notes or other papers including security documents as may be necessary for availing of any the above facilities whether present and/or contingent financial facilities and to authorize any of the officers of the Company for signing and executing the same and also to authorize for affixing Common Seal of the Company on any of the above documents in accordance with the provisions of the Articles of Association of the Company;
10. To approve execution of power of attorney for general and / or specific purposes, inter-alia including to authorize the officers of the Company to sign and execute papers relating to Excise, Sales Tax, Income Tax, Customs, FEMA, Reserve Bank of India, Central / State Governments, Local Bodies, Railways, State Electricity Boards, Telephones and Telecommunications Department, Port Trusts and/or any other applicable authorities and to attend the legal cases filed by and against the Company, insurance matters and/or for any other specific purposes/work pertaining to the Company as the Committee may deem fit and proper;
11. To authorize any person to:
 - a. appear, sign, verify, declare, affirm, make, present, submit and file all necessary notices, complaints, petitions, written statements, affidavits, undertakings, vakalatnamas, declarations, Appeals, Revisions, applications, statements, complaints, papers and documents and all proceedings and matters in connection with any suit(s) or proceeding(s) filed by or against the Company before any court of law or any tribunal or any quasi-judicial or statutory or administrative authority;
 - b. nominate, appoint and engage advocates, solicitors, counsel or other professionals and retainers; and
 - c. to do all such acts, things, deeds as may be necessary or proper to carry out the purposes mentioned above.
12. To give, withdraw, modify or alter any of the powers and/or authorities given to any person whether before or after this Resolution and whether such powers and authorities have been given by the Board of Directors or by the Committee, howsoever, including for affixing of the Common Seal of the Company as may be considered appropriate from time to time, in so far as it relates to the matters delegated to the Committee by the Board;
13. To grant loans and advances to the employees of the Company for a sum not exceeding the limits laid down in the Company's Employees Loan Policy, if any. Provided that during the interval of any two consecutive meetings of the Board of Directors of the Company, the aggregate amount of such loans and advances shall not, however, exceed a sum of Rs. 50 Lakhs;
14. To authorize the officers of the Company to make, submit, sign and execute applications, deeds, documents, agreements, contracts and any other papers (including modifications thereto) in connection with all the aforesaid matters delegated to the Committee by the Board as aforesaid and also to authorize for affixing the Common Seal of the Company, if so required, on any of the aforesaid documents in accordance with the provisions of the Articles of Association of the Company;
15. To perform such other acts, deeds and things as may be delegated to the Committee by the Board from time to time;
16. To secure attendance of outsiders with relevant expertise, if it considers necessary;
17. To approve Related Party transaction within the framework of the policy and within the power of the Board.

During Financial Year ("F.Y."), **9 (Nine)** Finance Committee meetings were held on April 01, 2019, June 17, 2019, August 16, 2019, September 10, 2019, November 11, 2019, December 04, 2019, January 24, 2020, January 31, 2020, March 10, 2020.

As on date of this report the Finance Committee comprises of 3 (three) Members, as per details in the following table:

Sr. No.	Name of the Member	Position	Category	No. of Meetings held during the tenure	No. of Meetings Attended
1.	Mr. Murarilal Mittal	Chairman	MD	9	9
2.	Mr. Mayank Mittal	Member	JMD	9	9
3.	Mr. Venkateswararao Kandikuppa	Member	WTD	9	9

VII. RISK MANAGEMENT COMMITTEE:

As per regulation 21 of the Listing Regulations, top 100 listed entities, determined on the basis of market capitalization as at the end of the immediate previous financial year, to constitute a Risk Management Committee ("RMC"). Although not mandatory for the Company, the Company has constituted a RMC of the Board to inform Board Members about the risk assessment and minimization procedures. The roles and responsibilities of the Committee includes:

1. To periodically assess risks to the effective execution of business strategy and review key leading indicators in this regard;
2. Shall annually review and approve the Risk Management Framework of the Company. The risk management committee shall periodically review the risk management processes and practices of the Company and ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities;
3. Shall evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner (including one-off initiatives, and ongoing activities such as business continuity planning and disaster recovery planning & testing);
4. Shall coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice); may form and delegate authority to subcommittees when appropriate;
5. Shall make regular reports to the Board, including with respect to risk management and minimization procedures;
6. Shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval;
7. The Board shall review the performance of the risk management committee annually;
8. Shall have access to any internal information necessary to fulfill its oversight role. The risk management committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors;
9. Such other items as may be prescribed by applicable law or the Board in compliance with applicable law, from time to time.

The RMC comprises of 3 (three) Members, as per details in the following table:

Sr. No.	Name of the Member	Position	Category
1	Mr. Mayank Mittal	Chairman	Joint Managing Director
2	Mr. Sanjiv Swarup	Member	Non-Executive Independent Director
3	Mr. Venkateswararao Kandikuppa	Member	Whole-Time director

No meetings of the Risk Management Committee were held during F.Y. 2019-20. Mr. Shailesh Rakhasiya, Company Secretary & Compliance Officer of the Company acts as the Secretary of the Risk Management Committee.

VIII. GENERAL BODY MEETING:

- a. **Details of last three Annual General Meeting ("AGM") are as under:**

Sr. No.	Day, Date and Time	Location	Details of Special Resolution Passed
1.	Saturday, September 9, 2017 at 12:00 Noon	<u>Registered Office</u> - Plot No. 1 & 4 Atgaon Industrial Complex, Mumbai Nasik Highway, Atgaon (East), Taluka-Shahpur, Dist. Thane – 421 601.	No Special Resolution were passed in the said AGM.
2.	Monday, August 13, 2018 at 9:00 A.M.	<u>Registered Office</u> - Plot No. 4, Chalisgaon Industrial Area, Village- Khadki, Taluka- Chalisgaon, District- Jalgaon 424 101, Maharashtra, India.	No Special Resolution were passed in the said AGM.
3.	Wednesday, August 14, 2019 at 9:00 A.M	<u>Registered Office</u> - Plot No. 4, Chalisgaon Industrial Area, Village- Khadki, Taluka- Chalisgaon, District- Jalgaon 424 101, Maharashtra, India.	<ul style="list-style-type: none"> • Ratification of Remuneration payable to M/s. Dilip M. Bhatija (Firm registration No. 100106), Cost Auditor of the Company for FY 2019-20. • Appointment of Mr. Satyendra Nayak (DIN: 08194706) as an Independent Director. • Service of documents under Section 20 of the Companies Act, 2013 and costs thereto

b. **Postal Ballot:**

During the year under review, no resolution was passed through Postal Ballot.

IX. MATERIAL RELATED PARTY TRANSACTIONS:

There are no transactions of material nature other than reported under “Related Party Disclosures” that have been entered into by the Company with the promoters, directors, their relatives and the management and in any Company in which they are interested and that may have potential conflict with the interest of the Company.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion, nor do they vote on such matters.

The Company has formulated a policy on dealing with Related Party Transactions and determining material subsidiaries. The policy is available on the website of the Company www.bharatwireropes.com.

X. MEANS OF COMMUNICATION:

The Company promptly discloses information on material corporate developments and other events as required under Listing Regulations. Such timely disclosures are an indicator of the Company’s good corporate governance practices. The Company promptly discloses information on material corporate developments and other events as required under Listing Regulations. Such timely disclosures are an indicator of the Company’s good corporate governance practices.

a. **Quarterly Result:**

The approved financial results are forthwith sent to the Stock Exchanges where the shares are listed and are displayed on the Company’s website www.bharatwireropes.com and are generally published in Business Standard (English) and Tarun bharat (Marathi), within forty eight hours of approval thereof.

b. **Website:**

Comprehensive information about the Company, its business and operations and press releases can be viewed on the Company’s website. The Company’s website www.bharatwireropes.com contains a separate dedicated section ‘Investor Relations’ where all the shareholders’ information is available, the link to which is <https://www.bharatwireropes.com/investor-grievances>.

The Company has promptly disclosed information on material corporate developments, official news releases, presentations made to institutional investors/analyst and other events as required under Listing regulations to the Stock Exchanges where shares of the Company are listed, viz. National Stock Exchange of India Limited and BSE Limited. Such information is also simultaneously displayed on the Company’s website www.bharatwireropes.com.

c. The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication during the F.Y. 2019-2020, are filed electronically through NSE’s NEAPS portal and BSE’s BSE Listing Center.

XI. GENERAL INFORMATION FOR SHAREHOLDERS:

a. **Company Registration Details:**

The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is **L27200MH1986PLC040468**.

b. **Annual General Meeting (“AGM”) for the F.Y. 2019-2020:**

Day and Date	:	Tuesday, September 15, 2020
Time	:	1.00 P.M.
Venue	:	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 and as such there is no requirement to have a venue for the AGM
Financial year	:	The Company follows 1st April to 31st March as Financial year.

c. **Stock Exchanges where the securities of the Company are listed:**

National Stock Exchange of India Limited Address: Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) - 400 051. (Symbol: BHARATWIRE), ISIN No. - INE316L01019	BSE Limited Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001. (Scrip Code: 539799)
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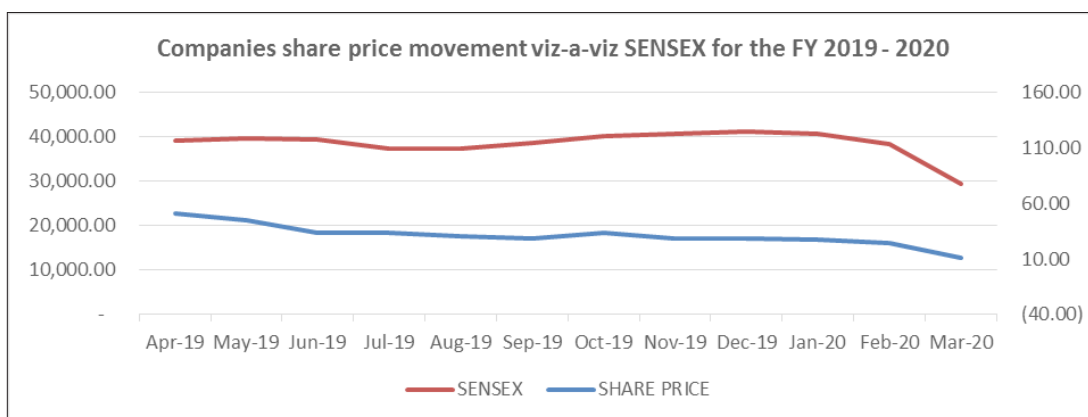
Annual Listing Fees for the F.Y. 2019-2020, has been paid to each of the above Stock Exchanges on April 20, 2019.

d. Stock Market Data:

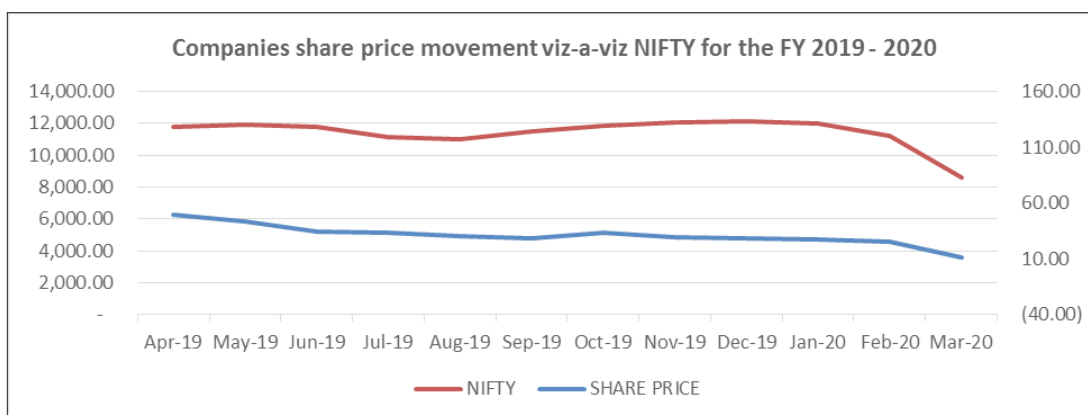
High, Low Price and Trading Volume of the Company's Equity Shares during each month of the last F.Y. 2019-20 at National Stock Exchange of India Limited and BSE Limited are given below:

Month	National Stock exchange of India Limited			BSE Limited		
	High	Low	Monthly Volume	High	Low	Monthly Volume
April 2019	51.10	49.65	12,245	66.85	50.20	605
May 2019	45.70	43.50	2,968	51.05	40.00	973
June 2019	34.40	33.55	4,862	43.40	31.00	607
July 2019	33.50	33.00	6,129	34.60	32.65	190
August 2019	30.70	28.50	11,581	34.30	27.05	633
September 2019	28.90	27.25	4,105	31.75	25.60	373
October 2019	36.00	33.10	11,403	39.80	23.10	1,446
November 2019	30.90	29.10	1,902	35.50	27.40	390
December 2019	29.40	25.30	19,407	30.90	21.15	602
January 2020	27.40	26.25	20,906	34.45	25.95	1,729
February 2020	25.80	24.35	47,024	33.80	24.15	5,592
March 2020	11.35	10.80	29,409	27.00	10.50	1,992

e. Performance in comparison of Share price of the Company with BSE Sensex and NIFTY 50 is as follows:
BSE SENSEX



NIFTY 50



f. Registrar to an Issue and Share Transfer Agents:

Kfin Technologies Private Limited
Selenium Building, Tower B, Plot No. 31&32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad - 500 032, Andhra Pradesh, India.
Toll Free No. 1800 3454 001
Tel No.: +91-4067162222
Fax No.: +91-40-23431551
Email id: suresh.d@kfintech.com
Website: www.KFintech.com

g. Share Transfer System:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Officers of the Registrars were authorised to approve transfers

h. Distribution of Shareholding and Shareholding Pattern as on March 31, 2020:

- Distribution of Shareholding:**

Shareholding Value	No. of Shareholder	% to Shareholder	No. of Shares held	% to Shareholding	Amount (Rs.)
1-5000	5,566	77.72	8,43,768	1.88	8,43,768
5001- 10000	657	9.17	5,58,664	1.24	5,58,664
10001- 20000	366	5.11	5,83,156	1.30	5,83,156
20001- 30000	135	1.88	3,42,215	0.76	3,42,215
30001- 40000	80	1.12	2,88,613	0.64	2,88,613
40001- 50000	79	1.10	3,75,660	0.84	3,75,660
50001- 100000	112	1.56	8,28,622	1.84	8,28,622
100001 & Above	167	2.33	4,11,31,640	91.50	4,11,31,640
Total	7,162	100.00	4,49,52,248	100.00	44,95,22,480

- Shareholding Pattern as on March 31, 2020:**

Category of Shareholders	Number of Shares	Percentage Holding (%)
A. Promoters		
a. Promoter Individuals	1,00,004	0.22
b. Promoters Bodies Corporate	1,79,84,854	40.01
B. Public Shareholders		
a. Institutional Investors:		
i. Foreign Portfolio Investors	5,46,809	1.22
ii. Financial Institutions/ Banks	100	0.00
b. Non-Institutional Investors	-	
i. Individuals:		
• Individual shareholders holding nominal share capital up to Rs. 2 lakhs	43,50,397	9.68
• Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	89,33,117	19.87
ii. NBFCs registered with RBI	--	
iii. Others:		
• Clearing Members	1,32,929	0.30
• Non-Resident Indian (NRI)	2,57,570	0.57
• Bodies Corporate	1,26,46,468	28.13
• HUF	-	-
Grand Total	4,49,52,248	100.00

i. Dematerialization of Shares:

As on March 31, 2020, 4,49,52,241 shares (approx. 100%) of the total equity share capital of the Company are held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited. Percentage of shares held in physical and dematerialized form as on March 31, 2020 are:

Particulars of Shares	Number of Shares	% of Total Issue Capital
Shares held in dematerialized form in CDSL	2,64,11,811	58.76
Shares held in dematerialized form in NSDL	1,85,40,430	41.24
Shares held in Physical form	7	0.00
Total No. of Shares	4,49,52,248	100.00

j. Outstanding GDRS/ ADRS/ Warrants/ Convertible Instruments as on March 31, 2020:

The Company has not issued any GDRs / ADRs / warrants or any convertible instruments.

k. Foreign Exchange Risk:

In compliance with the Reserve Bank of India guidelines, the Company proactively manages foreign exchange risk to protect value of exposures, if any, with an objective to manage financial statement volatility. Currently, the Company has in place appropriate risk hedging strategy for its Imports and Exports. Foreign exchange exposures are periodically reviewed and if necessary, hedged while avoiding trading and speculative positions. The Board periodically review foreign exchange exposure, if any and hedges undertaken by the Company.

l. List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad

The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended 31st March, 2020.

The ratings given by BRICKWORK for long-term borrowings and short-term borrowings of the Company are **BWR D** and **BWR D** respectively. There was revision in the said ratings during the year under review is given in the below table.

Particular	March 2019	March 2020
Fund Based (Long-Term)	BWR D	BWR D
Non-Fund Based (Short-Term)	BWR D	BWR D

m. Plant location:

The Company has the following manufacturing and Operating Divisions:

Atgaon

Plot No. 1 & 4, Atgaon Industrial Complex, Mumbai Nasik Highway, Atgaon (East), Taluka - Shahpur, Thane-421 601, Maharashtra, India.

Chalisgaon

Plot No. 4, Chalisgaon Industrial Area, Village-Khadki, Taluka- Chalisgaon, District- Jalgaon 424 101, Maharashtra, India.

n. Address for correspondence with the Company:

Bharat Wire Ropes Limited

Mr. Shailesh Rakhasiya
Company Secretary & Compliance Officer
A - 701, Trade World Building, Kamala Mills Compound, S B Marg, Lower Parel (West),
Mumbai 400 013, Maharashtra, India. Tel: +91 - 22 - 66824600; Fax: +91 - 22 - 66824666.
Email: compliance@bharatwireropes.com; Website: www.bharatwireropes.com

XII. OTHER DISCLOSURES:

i. Statutory Compliances, Penalties and Strictures

There were no instances of non-compliances during the last three years by the Company on any matter related to capital market. Consequently, there were neither penalties imposed nor strictures passed on the Company by the Stock Exchanges, SEBI or any other statutory authorities.

ii. **Whistle Blower Policy & Vigil Mechanism:**

The Company has a duly adopted Whistle Blower Policy and established a vigil mechanism in line with the provisions of Listing Regulations and the Act, which aims to provide a mechanism to the employees and directors of the Company to report instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. It is also provided that, in exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, he/she can make a direct appeal to the Chairman of the Audit Committee.

It is affirmed that no personnel has been denied access to the Chairman of the Audit Committee during the F.Y. 2019-20.

The whistle Blower policy and vigil mechanism can be accessed at <https://www.bharatwireropes.com/investor-relations/shareholders-information>.

iii. **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company is compliant with all the mandatory requirements of the Listing Regulations for F.Y. 2019-20.

The following non-mandatory requirements under Part E of Schedule II of the Listing Regulations to the extent Company have adopted are mentioned below:

Discretionary Requirements:

- The position of the Chairman and Managing Director are separate.
- The Company does not maintain a separate office for the Non-Executive Chairman.
- The quarterly financial results are published in the newspapers of having wide circulation and not sent to individual shareholders. Further the financial results are available on the website of the Company and of Stock Exchanges where the shares of the Company are listed i.e. National Stock Exchange of India Limited and BSE Limited.
- The Auditors' Opinion on the Financial Statements is unmodified.
- Internal Auditor reports directly to the Audit Committee of the Company.

Web link where policy on dealing with related party transactions is

<https://www.bharatwireropes.com/investor-relations/shareholders-information>.

iv. **Disclosures of Accounting Treatment:**

In the preparation of financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Act. The significant accounting policies which are consistently applied are set out in the notes to the financial statements.

v. **Archival Policy:**

The Listing Regulations mandates listed entities to formulate a Policy for preservation and archiving of documents pursuant to Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is in this context that the Document Retention and Archival Policy ("Policy") is being framed and implemented.

Objectives of the Policy:

- (i) documents which need to be preserved permanently &
- (ii) documents which need to be preserved for a specific period of time.

The Archival Policy of the Company is available on company's website at <https://www.bharatwireropes.com/docs/pdf/satutory-docs-info/Revised%20Preservation%20of%20Documents%20Policy.pdf>

- vi. Any Non-compliance of any requirement of Corporate Governance Report of sub-para (2) to (10) of Schedule V (c) of the Listing Regulations: **None**
- vii. Extent to which the discretionary requirements specified in Part E of Schedule II of the Listing regulations have been adopted: **Given in 8 (d).**
- viii. The Company has complied with the requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) of Listing Regulations.
 - a. certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed herewith which forms a part of this Report.

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

Particulars	Amount(Rs.)
Paid to Statutory Auditors	
Statutory Audit	20,00,000
Income Tax Audit & MVAT Audit	2,50,000
Certification Fees	-
Advise rendered towards GST Matters	-
Advise rendered towards Income Tax Matters	-
To other entities in the same network	
Total	22,50,000

- x. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- number of complaints filed during the financial year : Nil
 - number of complaints disposed of during the financial year : Nil
 - number of complaints pending as on end of the financial year : Nil
- xi. The Company is in compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46.
- xii. Declaration signed by the Managing Director stating that the Members of Board of Directors and senior management personnel have affirmed compliance with the code of conduct of Board of Directors and senior management is given below.

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

*Sd/-
Murarilal Mittal
Managing Director*

XIII. Certificate from the Managing Director and Chief Financial Officer, in terms of Regulation 17(8) and 33(2)(a) of the Listing Regulations for financial year ended March 31, 2020, was placed before the Board of Directors of the Company and forms part of this report.

XIV. The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations and the same forms part of this report.

On behalf of Board of Directors
For **Bharat Wire Ropes Limited**

Murarilal Mittal
Managing Director
DIN: 00010689

Place: Mumbai
Date: August 16, 2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members of Bharat Wire Ropes Limited
CIN: L27200MH1986PLC040468

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **BHARAT WIRE ROPES LIMITED** having CIN: L27200MH1986PLC040468 and having registered office at Plot No. 4, MIDC, Chalisgaon Industrial Area, Village - Khadki, Taluka - Chalisgaon, Jalgaon – 424101 MH IN (hereinafter referred to as “the Company”), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

For MIHEN HALANI & ASSOCIATES
Practicing Company Secretary

Place: Mumbai
Date: 04.08.2020

UDIN: F009926B000543131

Sd/-

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

CEO / CFO CERTIFICATION

We, Murarilal Mittal, Managing Director and Rakesh Kumar Jain, Chief Financial Officer of Bharat Wire Ropes Limited (“**Company**”), in compliance with the requirements of the Regulations 17(8) and 33(2)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the best of our knowledge and belief certify that:

- A. We have reviewed Financial Statements for the financial year ended **March 31, 2020**, and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company’s affairs and are in accordance with existing Accounting Standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the years which are fraudulent, illegal or violative of the Company’s code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- (1) significant changes, if any, in internal control over financial reporting during the quarter;
 - (2) significant changes, if any, in accounting policies during the quarter and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control systems over financial reporting.

On behalf of Board of Directors

For Bharat Wire Ropes Limited

Murarilal Mittal
Managing Director
DIN: 00010689

For Bharat Wire Ropes Limited

Rakesh Kumar Jain
Chief Financial Officer
PAN: ABBPJ5834H

Place: Mumbai
Date: July 16, 2020

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Bharat Wire Ropes Limited

We have examined the compliance of conditions of Corporate Governance by Bharat Wire Ropes Limited for the year ended March 31, 2020 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as “SEBI Listing Regulations, 2015”).

The compliance of conditions of Corporate Governance is the responsibility of the Company’s management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

For **SUREKA ASSOCIATES**
Chartered Accountants
FRN No. 110640W

Suresh Sureka
Partner
Membership No. 34132
UDIN: 20034132AAAACY2155

Date: 16th August, 2020
Place: Mumbai

INDEPENDENT AUDITORS' REPORT

To the Members of **BHARAT WIRE ROPES LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **BHARAT WIRE ROPES LIMITED**, ("the Company") which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note no. 42 of the financial statements pertaining to application for restructuring of overdue term loans. Our report is not modified in respect of this matter.

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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 Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements.

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

2. As required by section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act, read with relevant rule issued there under.
- e. On the basis of written representations received from the Directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of Internal financial controls over financial reporting of the company and the operating effectiveness of such control, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial control over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with requirement of section 197(16) of the Act, as amended:
 - i. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanation given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For SUREKA ASSOCIATES
Chartered Accountants
Firm Registration No. 110640W

Suresh Sureka
Partner
Membership No.34132
UDIN: 20034132AAAACB4078

Place : Mumbai
 Date : July 16, 2020

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under the “Report on Other Legal and Regulatory Requirements” section of our report to the Members of BHARAT WIRE ROPES LIMITED of even date)

- i. a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. These fixed assets have been physically verified by the management at regular intervals. According to information and explanations given to us, there were no material discrepancies noticed on such verification. In our opinion, the frequency of verification is reasonable.
- c. The title deeds of immovable properties are held in the name of the Company.
- ii. The physical verification of Inventory excluding stocks with third parties and stocks in transit have been conducted at reasonable intervals by the management during the year. The discrepancies noticed on physical verification of Inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii) (a), (iii) (b) and (iii) (c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. a. According to the information and explanations given to us, in our opinion, the Company is generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- b. According to the information and explanations given to us and the records of the Company examined by

us, the particulars of dues of income tax, duty of excise and Central Sales Tax as at March 31, 2020 which have not been deposited on account of a dispute are as follows:

Name of the Statute (Nature of dues)	Amount (Rs in Lakhs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	9.69	A.Y 2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	39.93	A.Y 2011-12	Income Tax Appellate Tribunal
Income Tax Act, 1961	1.41	A.Y 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	0.05	A.Y 2013-14	Assistant Commissioner of Income Tax
Income Tax Act, 1961	2.71	A.Y 2015-16	Centralised Processing Centre

- viii. In our opinion and according to the information and explanations given to us, the Company has defaulted in the repayment of loans / interest to the following banks / institutions:

(Rs. In lakhs)

Particulars	Amount of Default as on Balance Sheet Date		Period of Default (in months)	
	Principal	Interest	Principal	Interest
Name of the lenders:				
Bank (INR loans)				
Bank of Baroda	7,519.69	4,150.57	> 3 months	> 3 months
Union Bank of India	4,984.47	2,911.77	> 3 months	> 3 months
Central Bank of India	2,290.72	1,345.22	> 3 months	> 3 months
State Bank of India	1,438.47	546.44	> 3 months	> 3 months
Export Import Bank of India	525.00	309.66	> 3 months	> 3 months
(Foreign Currency Loan)				
UBI (UK) Ltd	0.00	228.31	---	> 3 months

- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and

- according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xii. The Company has paid / provided managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
 - xiii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
 - xiv. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - xv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible

debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

- xvi. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvii. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For SUREKA ASSOCIATES
Chartered Accountants
Firm Registration No. 110640W

Suresh Sureka
Partner
Membership No. 34132
UDIN: 20034132AAAACB4078

Place : Mumbai
 Date : July 16, 2020

ANNEXURE - B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **BHARAT WIRE ROPES LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls,

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

Opinion

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

For SUREKA ASSOCIATES
Chartered Accountants
Firm Registration No. 110640W

Suresh Sureka
Partner
Membership No. 34132
UDIN: 20034132AAAACB4078

Place : Mumbai
Date : July 16, 2020

BALANCE SHEET AS AT MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
A ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	3	53,857.30	56,027.82
(b) Capital Work in Progress	3	37.18	37.18
(c) Other Intangible Assets	4	5.56	10.84
(d) Intangible Assets under Development	4	16.60	23.37
(e) Financial Assets			
Other Financial Assets	5	217.11	72.81
(f) Deferred Tax Assets (Net)	6	4,641.48	2,537.28
(g) Other Non-Current Assets	7	1,058.22	1,062.02
Total Non-Current Assets		59,833.44	59,771.31
2 Current Assets			
(a) Inventories	8	7,765.04	8,886.16
(b) Financial Assets			
(i) Trade Receivables	9	2,938.64	3,616.92
(ii) Cash and Cash Equivalents	10	278.06	34.03
(iii) Other Bank Balances	11	66.41	409.61
(iv) Other Financial Assets	12	79.25	129.50
(c) Other Current Assets	13	4,271.43	3,844.51
Total Current Assets		15,398.83	16,920.73
TOTAL ASSETS		75,232.26	76,692.04
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	14	4,495.22	4,495.22
(b) Other Equity	15	-589.71	5,475.58
Total Equity		3,905.51	9,970.81
2 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	27,850.53	35,781.54
(ii) Other Financial Liabilities	17	325.00	325.00
(b) Provisions	18	172.15	173.68
Total Non-Current Liabilities		28,347.69	36,280.23
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	12,737.58	11,024.15
(ii) Trade Payables	20		
(a) Micro and Small Enterprises		130.88	271.93
(b) Others		949.90	2,904.73
(iii) Other Financial Liabilities	21	27,410.38	14,756.51
(b) Provisions	22	31.67	24.08
(c) Other Current Liabilities	23	1,718.64	1,459.61
Total Current Liabilities		42,979.07	30,441.00
TOTAL EQUITY AND LIABILITIES		75,232.26	76,692.04

The above Balance sheet should be read in conjunction with the accompanying notes

As per our report of even date attached

For Sureka Associates**Chartered Accountants****Firm Registration No:110640W****Suresh Sureka****Partner**

Membership No : 34132

Manging Director

Murarilal Mittal

DIN: 00010689

Date:

July 16, 2020

Place:

Mumbai

For and on behalf of the Board of Directors**Whole Time Director**

Venkateswararao Kandikuppa

DIN: 06456698

Chief Financial Officer

Rakesh Kumar Jain

PAN: ABBPJ5834H

Chief Executive Officer

Mahender Singh Arora

PAN : AABPA9704C

Company Secretary

Shailesh Rakhasiya

PAN: ALUPR5390R

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

	Particulars	Notes	March 31, 2020	March 31, 2019
1	Revenue			
	Revenue from Operations	24	25,771.47	24,063.88
	Other Income	25	32.07	91.88
	Total Revenue		25,803.54	24,155.75
2	Expenses			
	(a) Cost of Materials Consumed	26	16,079.36	16,534.67
	(b) Purchases of Stock-in-trade	27	-	35.19
	(c) Changes in Inventories of Finished Goods, Work-in-Progress & Stock-in-Trade	28	234.51	-1,362.80
	(d) Employee Benefits Expense	29	3,080.68	3,116.32
	(e) Finance Costs	30	8,946.95	7,262.92
	(f) Depreciation and Amortisation Expense	31	2,180.45	2,102.77
	(g) Other Expenses	32	3,481.76	3,872.68
	Total Expenses		34,003.70	31,561.75
3	Profit before Exceptional Items & Tax (1-2)		-8,200.16	-7,406.00
4	Exceptional Items		-	-
5	Profit Before Tax (3+4)		-8,200.16	-7,406.00
6	Tax Expenses	33		
	(a) Current Tax		-	-
	(b) (Less): MAT credit entitlement		-	-
	(c) Deferred Tax		-2,104.40	-2,950.42
	Total Income Tax Expenses		-2,104.40	-2,950.42
7	Net Profit after Tax (5-6)		-6,095.77	-4,455.58
8	Other Comprehensive Income, net of Tax			
	(a) Items that will not be reclassified to Profit & Loss			
	Remeasurements of post employment benefit obligations		0.96	4.01
	(b) Items that will be reclassified to Profit & Loss		-	-
	Other Comprehensive Income for the Year, Net of Tax		0.96	4.01
9	Total Comprehensive Income for the Year, Net of Tax (7+8)		-6,094.80	-4,451.57
10	Paid-up Equity Share Capital (Share of Rs:10 each)		4,495.22	4,495.22
11	Other Equity		-589.71	5,475.58
12	Earnings Per Share			
	Basic and diluted earnings / (loss) per share	34	-13.56	-9.91

The above Balance sheet should be read in conjunction with the accompanying notes

As per our report of even date attached

For Sureka Associates
Chartered Accountants

Firm Registration No:110640W

Suresh Sureka

Partner

Membership No : 34132

Manging Director

Murarilal Mittal

DIN: 00010689

Date:

July 16, 2020

Place:

Mumbai

For and on behalf of the Board of Directors

Whole Time Director

Venkateswararao Kandikuppa

DIN: 06456698

Chief Financial Officer

Rakesh Kumar Jain

PAN: ABBPJ5834H

Chief Executive Officer

Mahender Singh Arora

PAN : AABPA9704C

Company Secretary

Shailesh Rakhasiya

PAN: ALUPR5390R

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
A) Cash flow (used in) / from operating activities		
Profit/(loss) before income tax	(8,200.16)	(7,406.00)
Adjustments for:		
Depreciation and amortisation expense	2,184.28	2,106.62
Employee benefits expense	30.66	96.97
Intangible Assets Under Development	23.37	-
(Profit) / loss on disposal of property, plant and equipment (net)	(0.10)	-
Interest expenses	8,946.95	7,262.92
Operating profit before changes in operating assets and liabilities	2,985.01	2,060.51
Changes in operating assets and liabilities		
(Increase) / decrease in trade receivables	678.28	(1,294.14)
(Increase) / decrease in inventories	1,121.12	(1,540.75)
(Decrease) / increase in trade payables	(2,095.87)	(566.65)
(Decrease) / increase in other current non financial liabilities	259.04	364.17
(Increase) / decrease in other non-current non financial assets	3.80	(220.42)
(Increase) / decrease in other non-current financial assets	(144.30)	(47.50)
(Increase) / decrease in other current financial assets	50.25	57.15
(Increase) / decrease in other current non financial assets	(426.92)	(265.12)
Increase / (decrease) in other current financial liabilities	12,653.88	9,713.51
Increase / (decrease) in non-current provisions	(1.53)	30.37
Increase / (decrease) in current provisions	7.59	(13.95)
Total changes in operating assets and liabilities	12,105.34	6,216.65
Cash flow (used in)/ from operations	15,090.34	8,277.17
Income taxes paid (net of refunds)	-	-
Net cash (used in)/ from operating activities [A]	15,090.34	8,277.17
B) Cash flow from investing activities		
Payments for property, plant and equipment	(10.88)	(1,433.83)
Proceeds from property, plant and equipment	2.50	2.00
Addition made in CWIP	(16.60)	(1.97)
Net cash from investing activities [B]	(24.98)	(1,433.80)
C) Cash flow used in financing activities		
Proceeds from / (repayment) of long term borrowings (net)	(7,931.01)	(7,588.84)
Proceeds from / (repayment) of short term borrowings (net)	1,713.43	5,882.24
Interest paid	(8,946.95)	(7,262.92)
Net cash used in financing activities [C]	(15,164.53)	(8,969.52)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(99.17)	(2,126.15)
Cash and cash equivalents at the beginning of the financial year	443.64	2,569.79
Cash and cash equivalents at the end of the year	344.47	443.64
Net increase/ (decrease) in cash and cash equivalents	(99.17)	(2,126.15)

The above Balance sheet should be read in conjunction with the accompanying notes

As per our report of even date attached

For Sureka Associates

Chartered Accountants

Firm Registration No:110640W

Suresh Sureka

Partner

Membership No : 34132

Manging Director

Murarilal Mittal

DIN: 00010689

For and on behalf of the Board of Directors

Whole Time Director

Venkateswararao Kandikuppa

DIN: 06456698

Chief Executive Officer

Mahender Singh Arora

PAN : AABPA9704C

Chief Financial Officer

Rakesh Kumar Jain

PAN: ABBPJ5834H

Company Secretary

Shailesh Rakhasiya

PAN: ALUPR5390R

Date:

July 16, 2020

Place:

Mumbai

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

A. Equity Share Capital

Particulars	Amount
Balance as at April 01, 2018	4,495.22
Changes in equity share capital during the year	-
Balance as at March 31, 2019	4,495.22
Changes in equity share capital during the year	-
Balance as at March 31, 2020	4,495.22

B. Other Equity

Particulars	Reserves and Surplus				Total other equity
	Capital reserve	Securities premium	Retained earnings	ESOP reserve	
Balance as at April 01, 2018	48.00	8,141.80	1,401.23	242.33	9,833.36
Profit for the year	-	-	-4,455.58	-	-4,455.58
Other comprehensive loss	-	-	4.01	-	4.01
Total comprehensive income for the year	48.00	8,141.80	-3,050.34	242.33	5,381.79
Reserve created during the Year	-	-	-	93.79	93.79
Balance as at March 31, 2019	48.00	8,141.80	-3,050.34	336.12	5,475.58
Profit for the year	-	-	-6,095.00	-	-6,095.00
Other comprehensive loss	-	-	-0.96	-	-0.96
Total comprehensive income for the year	48.00	8,141.80	-9,146.30	336.12	-620.38
Reserve created during the Year	-	-	-	30.66	30.66
Balance as at March 31, 2020	48.00	8,141.80	-9,146.30	366.78	-589.71

The above Balance sheet should be read in conjunction with the accompanying notes

As per our report of even date attached

For Sureka Associates

Chartered Accountants

Firm Registration No:110640W

Suresh Sureka

Partner

Membership No : 34132

Date:

Place:

Mangning Director

Murarilal Mittal

DIN: 00010689

July 16, 2020

Mumbai

For and on behalf of the Board of Directors

Whole Time Director

Venkateswararao Kandikuppa

DIN: 06456698

Chief Financial Officer

Rakesh Kumar Jain

PAN: ABBPJ5834H

Chief Executive Officer

Mahender Singh Arora

PAN : AABPA9704C

Company Secretary

Shailesh Rakhasiya

PAN: ALUPR5390R

Significant Accounting Policies and Notes Forming Part of Accounts for the year ended 31st March, 2020

1 GENERAL INFORMATION :

Bharat Wire Ropes Limited (herein referred to as “BWRL” or “the Company”) is engaged in the business of production of Wire, Wire Ropes, Strands, and Slings.

The Company is Public Limited Company which is listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) and is incorporated and domiciled in India. The Address of the Registered Office is Plot No. 4, MIDC, Chalisgaon Industrial Area, Village –Khadki, Taluka – Chalisgaon, Jalgaon – 424 101, Maharashtra, India.

The financial statements were approved for issue by the Board of Directors on July 16, 2020.

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

a) Basis of preparation and Compliance with Ind AS

- (i) The financial statements of the Company comply with and have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and the relevant provisions of the Companies Act, 2013 (“the Act”).
- (ii) The financial statements of the Company comply in all material aspects with Indian Accounting Standards (‘Ind AS’) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- (iii) For financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:
 - Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
 - Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

b) Basis of measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind AS.

c) Functional and presentation currency and rounding off

These Ind AS Financial Statements are prepared in Indian Rupee which is the Company’s functional currency. All financial information presented in Rupees has been rounded to the nearest lakhs.

2A SIGNIFICANT ACCOUNTING POLICIES :

The Company has applied the following accounting policies to all periods presented in the Ind AS financial statements.

a) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties including taxes. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Effective April 1, 2018, the Company adopted Ind AS 115 “Revenue from Contracts with Customers” using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

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

Sale of goods

Revenue from the sale of goods is recognised when all significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with delivery. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of

returns and allowances, trade discounts and volume rebates. Export Sales are accounted for on the basis of date of bill of lading. Gross Sales include excise duty, adjustments for price variation, quality claims, liquidated damages and exchange rate variations related to export realization. Export Benefits is accounted on accrual basis.

Rendering of Services

Revenue from sale of services is recognised upon the rendering of services and is recognised net of GST.

Interest income

Interest income is included in other income in the statement of profit and loss. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate when there is a reasonable certainty as to realisation.

b) Property, plant and equipment

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use.

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

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed and overhaul cost is incurred, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

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

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

(i) Capital work in progress

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Revenue generated from production during the trial period is credited to capital work in progress.

(ii) Depreciation

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

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

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

Pursuant to the enactment of the Companies Act, 2013 ("the Act") and its applicability for accounting periods commencing from April 1, 2014 the company has, wherever required reassessed the useful life of its fixed assets and has computed depreciation with reference to the useful life of the assets as recommended in schedule II of the Act. However as per the valuation report dated 20th January 2015 in case of Atgaon plant Assets & as per the valuation report dated 5th May 2017 & 14th May 2018 in case of Chalisgaon Plant Assets, both certified by Chartered Engineer useful life of the some of the assets have been assessed as ranging between 25 and 60 years which is different than the life prescribed under schedule II of the Act and depreciation is computed accordingly.

Depreciation on tangible fixed assets has been provided on the straight-line method as per

the useful life prescribed in Schedule II to the Companies Act, 2013, except for Tangible Assets for which certificate of the useful life is taken from the competent person in that field.

Individual items of assets costing upto Rs. 5,000 are fully depreciated in the year of acquisition.

Leasehold improvements are depreciated over the unexpired period of respective leases or useful life whichever is shorter.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

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

c) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The Company has intangible assets with finite useful lives.

Intangible assets (computer software) are amortised on straight-line method at the rates determined based on estimated useful lives of 10 years.

d) Foreign currencies

In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost

or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

The Company has applied paragraph 46A of AS 11 under Indian GAAP. Ind AS 101 gives an option, which has been exercised by the Company, whereby a first time adopter can continue its Indian GAAP policy for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period. Hence, foreign exchange gain/loss on long-term foreign currency monetary items recognized upto 31st March, 2017 has been capitalized. Such exchange differences arising on translation/settlement of long-term foreign currency monetary items and pertaining to the acquisition of a depreciable asset are amortised over the remaining useful lives of the assets.

From accounting period commencing on or after April 1, 2017, exchange differences arising on translation/settlement of long-term foreign currency monetary items, acquired post April 1, 2017, pertaining to the acquisition of a depreciable asset are charged to the statement of profit and loss. A long-term foreign currency monetary item is an item having a term of 12 months or more at the date of its origination. –

e) Government grants

Government grants are credited to profit & loss account on an accrual basis.

f) Taxes

Current income tax

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

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

Deferred tax

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

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

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

Deferred tax relating to items recognised outside the statement of profit and loss is recognised either in other comprehensive income or in equity.

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

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

g) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they

occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

h) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2016, the Company has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

i) Inventories

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

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

- Raw materials and packing materials, Stores and spares parts and loose tools: These are valued at lower of cost and net realisable value. However, material and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. 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.
- Finished goods and work in progress: These are valued at lower of cost and net realisable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on weighted average basis.
- 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.
- Scrap: These are valued at net realisable value.

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

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

j) **Impairment of non-financial assets**

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company with the help of the valuer estimates the asset's or CGU's recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

k) **Provisions, contingent liabilities and contingent assets**

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

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

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that

is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

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

l) **Employee benefit schemes**

(i) **Short-term employee benefits**

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

(ii) **Post-employment benefits**

Defined contribution plan

Post employment and other long-term benefits are recognized as an expense in the statement of Profit and Loss of the year in which the employees has rendered services. The Expense is recognized at the present value of the amount payable determined using actuarial valuation technique. Actual gain and losses in respect of post employment and other long term benefits are recognized in the statement of Profit and loss.

Payments to defined contribution retirement benefits schemes are charged as expenses as and when they fall due.

m) **Financial instrument**

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

Financial assets

Initial recognition and measurement

All financial assets are initially measured at fair value. Transaction costs that are attributable to the acquisition of the financial assets (other than

financial assets at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset. The transaction costs directly attributable to the acquisition of financial assets at fair value through

profit and loss are immediately recognised in the statement of profit and loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sale the asset.

Subsequent measurement

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

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

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

Debt instrument at Fair Value through Other Comprehensive Income

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

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

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements

are recognized in other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to the statement of profit and loss. Interest earned whilst holding fair value through other comprehensive income debt instrument is reported as interest income using the EIR method.

Debt instrument at Fair Value through Profit and Loss

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated its investments in debt instruments as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

The Company follows 'simplified approach' as per Ind AS 109 where the company provides for losses based on lifetime Expected Credit losses at each reporting date right from initial recognition.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

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

Subsequent measurement

Financial Liabilities at Fair Value through Profit and Loss

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

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

Loans and borrowings

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

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial

liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

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

n) Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

o) Cash dividend distributions to equity holders

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

p) Earnings per share

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

q) Share-based payment arrangement

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

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

r) Segment Reporting - Identification of Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments.

s) Current/Non current classification

An asset is considered as current when it is:

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

All other assets are classified as non-current.

A liability is considered as current when it is:

- Expected to be settled in normal operating cycle, or
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

t) **Cash Flow Statement**

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

u) **Use of estimates and critical accounting judgements**

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income,

expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

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

2B STANDARDS ISSUED BUT NOT YET EFFECTIVE

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

3 Property, Plant and Equipment

Carrying Amounts	Freehold Land	Right to use	Factory Buildings	Office Premises	Plant and Machinery	Electrical Installation	Furniture and Fixtures	Motor Vehicles	Motor Bike	Office Equipments	Computers	Total
Gross carrying amount as at March 31, 2019	3,261.63	362.12	5,752.14	1,727.36	46,072.86	1,782.47	177.78	240.28	0.78	52.62	56.79	59,486.83
Additions	-	-	-	-	5.56	0.98	0.62	-	-	1.35	2.38	10.88
Exchange differences	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	48.00	-	-	-	48.00
Gross carrying amount as at March 31, 2020	3,261.63	362.12	5,752.14	1,727.36	46,078.42	1,783.45	178.40	192.28	0.78	53.97	59.17	59,449.72
Depreciation upto March 31, 2019	-	22.85	361.42	91.50	2,507.77	272.29	55.36	98.26	0.24	21.15	28.17	3,459.02
Depreciation charge during the year	-	3.83	204.06	70.61	1,657.14	169.85	22.63	28.74	0.09	9.17	12.89	2,179.00
Disposals	-	-	-	-	-	-	-	45.60	-	-	-	45.60
Accumulated depreciation as at March 31, 2020	-	26.67	565.48	162.11	4,164.92	442.13	77.99	81.41	0.33	30.32	41.06	5,592.42
Net carrying amount of Property, Plant and Equipment												
As at March 31, 2019	3,261.63	339.27	5,390.72	1,635.86	43,565.09	1,510.19	122.42	142.01	0.54	31.47	28.62	56,027.82
As at March 31, 2020	3,261.63	335.44	5,186.66	1,565.26	41,913.50	1,341.32	100.41	110.87	0.45	23.65	18.11	53,857.30
Capital Work-in-Progress												
As at March 31, 2019	37.18											
As at March 31, 2020	37.18											

(i) Contractual Obligations

Refer Note No 44(i) for disclosure of contractual commitments for the acquisition of Property, Plant & Equipment.

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

Carrying Amount	Intangible Assets (Computer Software)
4 Intangible Assets	
Year ended March 31, 2019	
Gross carrying amount as at March 31, 2019	24.12
Additions	-
Disposals Classified as held for sale	-
Gross carrying amount as at March 31, 2020	24.12
Accumulated Depreciation	Intangible Assets (Computer Software)
Accumulated Amortisation as at March 31, 2019	13.28
Amortisation charge during the year	5.28
Disposals	-
Accumulated Amortisation as at March 31, 2020	18.56
Net Carrying Amount of Intangible Assets	
As at March 31, 2019	10.84
As at March 31, 2020	5.56
Intangible Assets under Development	
As at March 31, 2019	23.37
As at March 31, 2020	16.60

(i) Contractual Obligations

Refer Note No 44(i) for disclosure of contractual commitments

Particulars	As at March 31, 2020	As at March 31, 2019
5 Financial Assets		
Other Financial Assets		
Term deposits with more than 12 months maturity		
- Margin Money Deposits	217.11	72.81
Total Other Financial Assets	217.11	72.81
6 Deferred Tax Assets / (Liabilities) (Net) (Refer Note 36)		
The balance comprises temporary differences attributable to		
Deferred tax liabilities		
Property, plant and equipment	4,421.27	3,569.65
	4,421.27	3,569.65
Set off of deferred tax assets pursuant to set-off provisions		
Deferred tax asset		
Interest on Borrowings	2,246.90	-
Employee benefit obligations	47.64	74.97
Unabsorbed Depreciation	6,548.28	5,811.84
Remeasurement of employee benefit obligations	5.35	5.55
	8,848.18	5,892.36
Tax credit (minimum alternative tax)	214.57	214.57
Total Deferred Tax Assets (Net)	4,641.48	2,537.28

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
7 Other Non Current Assets		
Capital Advances	857.67	859.29
Unsecured, considered good		
Security Deposits	200.55	202.72
Total Other Non Current Assets	1,058.22	1,062.02
8 Inventories		
Raw Materials	2,338.78	3,130.98
Work in Progress	1,835.52	2,158.64
Finished Products	3,292.21	3,256.74
Stores & Spares	196.96	150.55
Packing Materials	101.57	189.26
Total Inventories	7,765.04	8,886.16
9 Trade Receivables		
Trade receivables from related parties (refer note "Related Party")	-	-
Trade receivables from others	2,938.64	3,616.92
Allowance for doubtful debts (net)	-	-
Total Receivables	2,938.64	3,616.92
Break up of security details		
Unsecured, considered good	2,938.64	3,616.92
Doubtful	-	-
Total	2,938.64	3,616.92
Allowance for doubtful debts (net)	-	-
Total Trade Receivables	2,938.64	3,616.92
10 Cash and Bank Balance		
Cash and Cash Equivalents		
Cash on hand	2.98	19.17
Balance with Banks		
In current accounts	275.08	7.97
In other deposit accounts original maturity of 3 months or less	-	6.88
Total Cash and Cash Equivalents	278.06	34.03
11 Other Bank Balances		
Margin Money Deposit	66.41	409.61
(Secured against Bank Guarantees/Letter of Credit)		
Total Other Bank Balances	66.41	409.61

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
12 Other Financial Assets		
Current		
Interest Accrued	19.52	28.81
Insurance Claim Receivable	0.65	0.86
Deposit	52.63	64.56
Derivatives designated as Hedge		
Forward Contracts Receivable	-	25.36
Advances to Employees	6.45	9.90
Total Current Other Financial Assets	79.25	129.50

13 Other Current Assets		
Balance with Government Authorities	3,681.13	3,655.70
Prepaid Expenses	39.72	67.08
Advances to Suppliers	550.57	121.73
Total Other Current Assets	4,271.43	3,844.51

14 Equity Share Capital

Particulars	Equity Shares	
	Number of shares	Par value (₹)
Share Capital		
Authorised Share Capital		
As at March 31, 2018	5,00,00,000	10.00
Increase / (decrease) during the year	20,00,000	-
As at March 31, 2019	5,20,00,000	10.00
Increase / (decrease) during the year	-	-
As at March 31, 2020	5,20,00,000	10.00

i) Movement in equity shares capital	Number of shares	Amount
Issued, subscribed and paid up capital		
As at March 31, 2019	4,49,52,248	4,495.22
Increase / (decrease) during the year	-	-
As at March 31, 2020	4,49,52,248	4,495.22

ii) Terms and rights attached to equity shares

The company has only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The dividend, if any proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

iii) Details of shareholders holding more than 5% shares in the Company

As at March 31, 2020	Number of shares	% holding
Equity shares held by		
Gyanshankar Investment & Trading Co. Private Limited	1,79,84,854	40.01%
Authum Investment And Infrastructure Limited	86,47,628	19.24%
As at March 31, 2019	Number of shares	% holding
Equity shares held by		
Gyanshankar Investment & Trading Co. Private Limited	1,79,84,854	40.01%
Altura Capital Advisors LLP	79,65,042	17.72%

iv) Shares held by holding / ultimate holding company and / or their subsidiaries / associates

As at March 31, 2020	Number of shares	% holding
Associate		
Gyanshankar Investment & Trading Co. Private Limited	1,79,84,854	40.01%
As at March 31, 2019	Number of shares	% holding
Associate		
Gyanshankar Investment & Trading Co. Private Limited	1,79,84,854	40.01%

v) Shares reserved for issue under Employee Stock Option Plan (ESOP):

For details of shares reserved for issue under the share based payment plan of the Company, please refer note 48

Particulars	As at March 31, 2020	As at March 31, 2019
15 Other Equity		
(i) Capital Reserve	48.00	48.00
(ii) Securities Premium Account	8,141.80	8,141.80
(iii) ESOP Reserve	366.78	336.12
(iv) Retained Earnings	-9,146.30	-3,050.34
Total Other Equity	-589.71	5,475.58
(i) Capital Reserve		
Opening Balance	48.00	48.00
Current year transfer	-	-
Closing Balance	48.00	48.00
(ii) Securities Premium Account		
Opening Balance	8,141.80	8,141.80
Securities premium movement during the year.	-	-
Utilised against IPO expenses	-	-
Closing Balance	8,141.80	8,141.80
(iii) ESOP Reserve		
Opening Balance	336.12	242.33
Reserve created during the Year	30.66	93.79
Transferred to General Reserve	-	-
Closing Balance	366.78	336.12

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(iv) Surplus		
Opening Balance	-3,050.34	1,401.23
Profit for the year	-6,095.00	-4,455.58
Item of other comprehensive income recognised directly in surplus	-	-
Remeasurements of post employment benefit obligations, net of tax	-0.96	4.01
Closing Balance	-9,146.30	-3,050.34
16 Borrowings		
Non-Current Borrowings		
Secured (a)		
Measured at amortised cost		
Term loans from banks		
Rupee Term Loans	39,723.15	34,653.61
[Refer note (i) and (iii)]		
Rupee Term Loan [Refer note (i) and (iv)]	1,122.61	971.93
Rupee Term Loan [Refer note (i) and (v)]	149.60	129.52
External Commercial Borrowings (ECB) [Refer note (i) and (vi)]	5,881.81	5,187.43
Rupee Term Loan [Refer note (ii) and (vii)]	4.11	9.21
	46,881.29	40,951.70
Term loans from others		
Rupee Term Loan [Refer note (ii) and (viii)]	40.59	52.68
Rupee Term Loan [Refer note (ii) and (ix)]	-	19.89
	40.59	72.57
	46,921.88	41,024.27
Unsecured (b)	-	-
Deferred payment liabilities (Refer Note (x) below)	-	-
Sales Tax Loan	1,237.62	1,472.61
	1,237.62	1,472.61
Deposits (c)		
Inter-corporate deposits	6,501.67	7,496.18
	6,501.67	7,496.18
Total (a+b+c)	54,661.17	49,993.07
Less: Current Maturities of long term debt	26,810.64	14,211.53
Total Non-Current Borrowings	27,850.53	35,781.54

Notes

(i) Security:

- a. First charge, ranking pari passu between term lenders by way of mortgage/hypothecation of entire immovable and movable fixed assets of the Company related to expansion project situated at MIDC - Chalisgaon or wherever else;

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

- b. Second charge ranking pari passu between term lenders by way of hypothecation of entire current assets of the Company situated at MIDC - Chalisgaon, Atgaon or wherever else;
- c. Personal Guarantee of Managing Director.
- d. Corporate Guarantee of Gaji Mercantile Private Limited (Now merged with Gyanshankar Investment And Trading Co. Private Limited as approved by NCLT vide its order dated 29.09.2017 received on 10.01.2018)
- e. Mortgage documents for External Commercial Borrowings (ECB) are yet to be executed.

The security is by hypothecation of respective Vehicle

(iii) Repayment Schedule:

The term loan is repayable in 20 equal Quarterly Installments. The first installment is payable after a period of 18 months from the date of C.O.D. (22nd Mar 2017) or as per sanction of the respective Lenders as may be modified from time to time.

(iv) Repayment Schedule:

The term loan is repayable in 10 quarterly installments commencing from 31.05.2018.

(v) Repayment Schedule:

The term loan is repayable in 12 equal quarterly installments commenced from 30.06.2017.

(vi) Repayment Schedule:

The term loan is repayable in 24 equal quarterly installments commencing from June 2020

(vii) Repayment Schedule:

The loan is repayable in 36 equal monthly installments commenced from 05.01.2018.

(viii) Repayment Schedule:

The loan is repayable in 84 equal monthly installments commenced from 16.10.2015

(ix) Repayment Schedule:

The loan is repayable in 35 equal monthly instalments commenced from 02.08.2016

(x) Repayment Schedule:

The Govt. of Maharashtra under Package Scheme of Incentive has extended to the Company, the incentive of sales tax deferral scheme pursuant to which the sales tax attributable to the sales effected out of production for a period of 8 Years 9 Months from 01.05.2003 to 31.01.2012 is deferred (interest free). The deferred sales tax in respect of above is based upon the sales tax returns. The amount for each year deferred is payable in 5 equal annual installments from Financial Year 2014-15 to 2027-28.

Particulars	As at March 31, 2020	As at March 31, 2019
17 Other Financial Liabilities		
Other	325.00	325.00
Total Other Financial Liabilities	325.00	325.00
18 Provisions		
Non-Current		
Employee Benefit Obligations		
Gratuity	139.69	144.40
Leave encashment	32.46	29.29
Total Non-Current Provisions	172.15	173.68
19 Current Borrowings		
Secured Loans from Banks (Refer note below)		
Measured at amortised cost		
Loan Repayable on demand from Banks		
Cash credit / working capital demand loan from banks	12,737.58	11,024.15
Total Current Borrowings	12,737.58	11,024.15

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

Note:

Nature & Security for Current Borrowings

- (i) Cash Credit / Working Capital demand loan / Pre-shipment credit from Banks are secured by way of first charge on raw materials, goods in process, finished goods, stores and book debts of the Company and first charge on immovable and movable fixed assets at Atgaon and second charge on immovable and movable fixed assets at Chalisgaon both present and future of the Company. It is also secured by the personal guarantee of Managing Director and Corporate Guarantee of Gaji Mercantile Pvt. Limited (Merged with Gyanshankar Investment And Trading Co. Private Limited as approved by NCLT vide its order dated 29.09.2017 received on 10.01.2018)

Particulars	As at March 31, 2020	As at March 31, 2019
20 Trade Payables		
Current		
Trade payables to micro and small enterprises (Refer Note No. 41)	130.88	271.93
Trade payables for acceptances	252.04	1,332.43
Trade payables to others	697.86	1,572.30
Total Trade Payables	1,080.79	3,176.66
21 Other Financial Liabilities		
Current		
Current maturities of long term debt	26,810.64	14,211.53
Capital creditors	599.75	544.98
Total Other Financial Liabilities	27,410.38	14,756.51
22 Provisions		
Current		
Employee Benefit Obligations		
Gratuity	23.05	15.31
Leave Encashment.	8.62	8.78
Total Current Provisions	31.67	24.08
23 Other Current Liabilities		
Advances from customers	871.03	798.66
Statutory amount payables	86.57	100.89
Employees dues payable	225.19	311.53
Outstanding expenses	535.85	248.52
Total Other Current Liabilities	1,718.64	1,459.61
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
24 Revenue from Operations		
Sale of Products		
Finished goods	24,131.71	21,639.00
Traded goods	-	34.86
	24,131.71	21,673.85
Other Operating Revenue		
Scrap Sales	309.59	547.80
Export Benefits	335.66	628.91
Other Incentives	994.51	1,213.30
	1,639.76	2,390.02
Total Revenue from Operations	25,771.47	24,063.88

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
25 Other Income		
Interest Income	31.04	91.16
Profit on Sale of Fixed Assets	0.10	-
Sundry Balance Written off	1.68	0.00
Employment Promotional Scheme	-0.76	0.71
Total Other Income	32.07	91.88
26 Cost of Materials Consumed		
Inventory at the beginning of the year	3,464.71	3,334.41
Add: Purchases	15,243.99	16,664.97
Less : Inventory at the end of the year	2,629.34	3,464.71
Total Cost of Materials Consumed	16,079.36	16,534.67
27 Purchases of Stock in Trade		
Steel related products	-	35.19
Total Purchases of Traded Goods	-	35.19
28 Changes in Inventories of Finished Goods, Work-in-Progress & Stock-in-Trade		
Inventories at the beginning of the year		
Finished goods	3,203.60	2,182.07
Work-in-progress	2,158.64	1,817.36
	5,362.23	3,999.43
Inventories at the end of the year		
Finished goods	3,292.21	3,203.60
Work-in-progress at year end	1,835.52	2,158.64
	5,127.73	5,362.23
Total Changes in Inventories of Finished Goods, Work-in-Progress & Stock-in-Trade	234.51	-1,362.80
29 Employee Benefits Expense		
Salaries, wages, allowance and other benefits	2,934.68	2,901.27
Contribution to provident fund and other funds	110.49	115.44
Share Based Payment to Employees	30.66	93.79
Staff welfare expenses	4.84	5.82
Total Employee Benefits Expense	3,080.68	3,116.32
30 Finance Costs		
Measured at Amortised Cost		
Interest	8,902.36	7,162.00
Bank charges	66.88	138.61
Net loss / (gain) on foreign currency transaction and translation	-22.29	-37.70
Total Finance Costs	8,946.95	7,262.92

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
31 Depreciation and Amortisation Expense		
Depreciation of property, plant and equipment	2,175.17	2,102.47
Amortisation of intangible assets	5.28	0.30
Total Depreciation and Amortisation Expense	2,180.45	2,102.77
32 Other Expenses		
Power & fuel charges	2,256.82	2,297.47
Freight forwarding charges	299.77	364.65
Rent rates & taxes (net)	119.42	148.66
Repair & maintenance	87.49	93.93
Commission	0.27	55.28
Travelling expense	102.54	141.39
Communication expenses	15.04	15.43
Printing & stationery	12.27	20.90
Professional fees & consultancy charges	193.73	243.03
Audit fees	20.37	20.49
Office & factory general expenses	95.40	122.89
Security charges	58.27	63.14
Inspection & testing charges	21.73	17.51
Insurance	59.43	52.03
Director sitting fees	1.88	3.88
Quantity discount on sales	1.19	23.65
Miscellaneous expenses	85.98	34.52
Advertisement Expenses	15.49	7.39
Amortisation of land lease premium	3.83	3.85
Waste Disposal Expenses	24.09	23.45
Transit house maintenance expenses	6.74	8.17
Processing fees	-	110.99
Total Other Expenses	3,481.76	3,872.68
Note: Details of Payments to Auditors		
Payment to Auditors		
As Auditor:		
- Audit fee (Statutory & Tax Audit)	20.00	20.00
In other Capacities		
- Reimbursement of Expenses	0.37	0.49
Total Payment to Auditors	20.37	20.49
33 Tax Expenses		
(i) Income Tax Expenses		
Current Tax		
Current tax on profit for the year	-	-
Total Current Tax	-	-
Deferred Tax (Refer Note "Movement in Deferred Tax")		
Decrease / (increase) in deferred tax assets (including tax credit)	-2,956.01	-3,752.17
(Decrease) / increase in deferred tax liabilities	851.62	801.75
Total Deferred Tax Expenses / (Benefit)	-2,104.40	-2,950.42
Total Income Tax Expenses	-2,104.40	-2,950.42

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(ii) Reconciliation of tax expenses and the accounting profit multiplied by		
India's tax rate		
Profit before tax	-8,200.16	-7,406.00
Tax rate	-	-
Tax at normal rate	-	-
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income		
Remeasurements of post employment benefit obligations	-	-
Impairment of Assets	-	-
Utilisation of IPO Expenses	-	-
Impact of Fair Valuation on security deposits	-	-
Total Income Tax Expenses	<u>-</u>	<u>-</u>
34 Earnings Per Share		
Profit attributable to the equity holders of the Company	-6,095.77	-4,455.58
Weighted average number of equity shares	4,49,52,248	4,49,52,248
Basic and diluted earnings / (loss) per share	-13.56	-9.91
Nominal value of an equity share	<u>10.00</u>	<u>10.00</u>

35 Employee Benefit Obligation

(i) Leave Obligations

The leave obligations cover the Company's liability for earned leave.

(ii) Post-Employment Obligations - Gratuity

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen day wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

This defined benefit plans expose the Company to actuarial risks, such as interest rate risk and market (investment) risk.

(iii) Balance Sheet Amounts

(a) Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

Particulars	Present value of obligations (Unfunded)	Fair value of plan assets	Net amount
April 01, 2018	147.54	-	147.54
Current service cost	21.55	-	21.55
Interest expense/(income)	11.41	-	11.41
Total amount recognised in profit or loss	<u>32.96</u>	<u>-</u>	<u>32.96</u>

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Present value of obligations (Unfunded)	Fair value of plan assets	Net amount
Remeasurements			
Return on plan assets excluding amount included in interest expense			
Loss / (gain) from experience adjustments	-8.34	-	-8.34
Loss / (gain) from change in financial assumptions	5.16	-	5.16
Total amount recognised in other comprehensive income	-3.18	-	-3.18
Employer's contribution			
Benefit payment	(17.62)	-	-17.62
March 31, 2019	159.70	-	159.70
April 01, 2019	159.70	-	159.70
Current service cost	16.68	-	16.68
Interest expense/(income)	12.23	-	12.23
Total amount recognised in profit or loss	28.91	-	28.91
Remeasurements			
Return on plan assets excluding amount included in interest expense			
Loss / (gain) from change in demographic Assumption	(0.42)	-	(0.42)
Loss / (gain) from experience adjustments	(6.54)	-	(6.54)
Loss / (gain) from change in financial assumptions	7.72	-	7.72
Total amount recognised in other comprehensive income	0.76	-	0.76
Employer's contribution			
Benefit payment	(26.64)	-	(26.64)
March 31, 2020	162.74	-	162.74

(b) Leave Encashment

The amounts recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

Particulars	Present value of obligations (Unfunded)	Fair value of plan assets	Net amount
April 01, 2018	33.80	-	33.80
Current service cost	11.88	-	11.88
Interest expense/(income)	2.61	-	2.61
Total amount recognised in profit or loss	14.49	-	14.49
Remeasurements			
Return on plan assets excluding amount included in interest expense			
Loss / (gain) from experience adjustments	(7.13)	-	-7.13
Loss / (gain) from change in financial assumptions	3.08	-	3.08
Total amount recognised in other comprehensive income	-4.05	-	-4.05
Employer's contribution			
Benefit payment	(6.18)	-	(6.18)
March 31, 2019	38.06	-	38.06
April 01, 2019	38.06	-	38.06
Current service cost	12.13	-	12.13
Interest expense/(income)	2.91	-	2.91
Total amount recognised in profit or loss	15.04	-	15.04

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Present value of obligations (Unfunded)	Fair value of plan assets	Net amount
Remeasurements			
Return on plan assets excluding amount included in interest expense			
Loss / (gain) from demographic assumptions	(0.21)	-	(0.21)
Loss / (gain) from experience adjustments	(6.29)	-	(6.29)
Loss / (gain) from change in financial assumptions	1.32	-	1.32
Total amount recognised in other comprehensive income	-5.17	-	-5.17
Employer's contribution			
Benefit payment	(6.84)	-	(6.84)
March 31, 2020	41.08	-	41.08

(iv) Significant actuarial assumptions are as follows:

		As at March 31, 2020	As at March 31, 2019
Discount rate		6.92%	7.66%
Salary growth rate		5.00%	5.00%

(v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(a) Gratuity

Assumptions	Change in assumption (%)		Impact on defined benefit obligation			
			Increase		Decrease	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Discount rate	0.50%	0.50%	(5.34)	(4.69)	5.68	4.98
Salary growth rate	0.50%	0.50%	5.76	5.09	(5.46)	(4.83)

(b) Leave Encashment

Assumptions	Change in assumption (%)		Impact on defined benefit obligation			
			Increase		Decrease	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Discount rate	0.50%	0.50%	(0.97)	(0.95)	1.03	0.87
Salary growth rate	0.50%	0.50%	1.04	0.89	(1.00)	(0.97)

(vi) Risk exposure

Valuations are based on certain assumptions, which are dynamic in nature & vary over time. As such company is exposed to various risks such as salary increases, investment risks, discount rate, mortality & disability & withdrawals.

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

(vii) Defined benefit liability

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

Defined benefit obligations

Gratuity

**Leave
Encashment**

March 31, 2020

Year Ending

March 31, 2021	35.75	10.33
March 31, 2022	38.55	8.60
March 31, 2023	32.19	8.48
March 31, 2024	40.07	9.23
March 31, 2025	48.76	9.64

March 31, 2019

Year Ending

March 31, 2020	60.83	9.54
March 31, 2021	46.55	8.57
March 31, 2022	59.72	20.78
March 31, 2023	69.22	7.54
March 31, 2024	82.02	7.88

36 Movement in Deferred Tax Liabilities and Deferred Tax Assets:

Particulars	Deferred tax liabilities		Deferred tax assets					Tax credit (minimum alternative tax)	Net deferred tax liabilities/ Assets
	Property, plant and equipment	Total deferred tax liabilities	Interest on Borrowings	Employee benefit obligations	Unabsorbed business losses	Remeasurement of employee benefit obligations	Total deferred tax Assets		
As at March 31, 2019	3,569.65	3,569.65	-	74.97	5,811.84	5.55	5,892.36	214.57	-2,537.28
Charged/ (credited)									
to profit and loss	851.62	851.62	2,246.90	-27.33	736.44	-	2,956.01	-	-2,104.40
to other comprehensive income	-	-	-	-	-	-0.20	-0.20	-	0.20
As at March 31, 2020	4,421.27	4,421.27	2,246.90	47.64	6,548.28	5.35	8,848.18	214.57	-4,641.48

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

37 Fair Value Measurements

Financial instruments by category

Particulars

	As at March 31, 2020		As at March 31, 2019	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial Assets				
Non-Current				
Other Financial Assets				
Term deposits with more than 12 months maturity	-	217.11	-	72.81
Current				
Trade Receivables	-	2,938.64	-	3,616.92
Cash and Cash Equivalents	-	278.06	-	34.03
Other Bank Balances	-	66.41	-	409.61
Other Financial Assets				
Interest Accrued	-	19.52	-	28.81
Insurance Claim Receivable	-	0.65	-	0.86
Deposit	-	52.63	-	64.56
Derivatives designated as Hedge				
Forward Contracts Receivable	-	-	-	25.36
Advances to Employees	-	6.45	-	9.90
Total Financial Assets	-	3,579.47	-	4,262.87
Financial Liabilities				
Non-Current				
Borrowings	-	27,850.53	-	35,781.54
Other Financial Liabilities				
Other	-	325.00	-	325.00
Current				
Borrowings	-	12,737.58	-	11,024.15
Trade Payables	-	1,080.79	-	3,176.66
Other Financial Liabilities		27,410.38		14,756.51
Total Financial Liabilities	-	69,404.28	-	65,063.86

38 Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk.

(I) Credit risk

"Credit risk is the risk that counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition."

a) Trade receivables

Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The company uses a simplified approach as per Ind AS 109 and an impairment analysis is performed at each reporting date on an individual basis for significant clients.

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

(II) Liquidity risk

The Company filed an application on December 06, 2018 to the bankers requesting restructuring of Term Loans and Working Capital. This application for restructuring is pending for consideration by the Consortium. Till the time the restructuring plan is approved, the Company does not have any sources of funds infusion. The company has to manage its cash flows on a day to day basis to maintain operations that for the most of the year. The company is dependent upon timely receipt of sales proceeds and delays in sales realizations can severely impact the current level of operations.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

All non derivative financial liabilities and derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not material.

As at March 31, 2020

Contractual maturities of financial liabilities	< 1 Year	2 - 3 years	4 - 5 years	> 5 years	Total	Carrying value
Non-derivatives						
Borrowings	26,810.64	16,600.98	3,741.98	7,507.58	54,661.17	54,661.17
Trade payables	1,080.79	-	-	-	1,080.79	1,080.79
Other financial liabilities	599.75	325.00	-	-	924.75	924.75
Total non-derivative liabilities	<u>28,491.17</u>	<u>16,925.98</u>	<u>3,741.98</u>	<u>7,507.58</u>	<u>56,666.70</u>	<u>56,666.70</u>

As at March 31, 2019

Contractual maturities of financial liabilities	< 1 Year	2 - 3 years	4 - 5 years	> 5 years	Total	Carrying value
Non-derivatives						
Borrowings	14,211.53	14,925.00	9,975.00	1,725.00	40,836.53	40,836.53
Trade payables	3,176.66	-	-	-	3,176.66	3,176.66
Other financial liabilities	544.98	325.00	-	-	869.98	869.98
Total non-derivative liabilities	<u>17,933.17</u>	<u>15,250.00</u>	<u>9,975.00</u>	<u>1,725.00</u>	<u>44,883.17</u>	<u>44,883.17</u>

(III) Market risk - foreign currency risk

The Company undertakes transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed utilising forward foreign exchange contracts.

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments, highly probable forecast transactions and foreign currency required at the settlement date of certain receivables/payables.

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

Foreign currency risk exposure

a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in equivalent in INR Rupees is as follows:

Particulars	(Amount in Thousands)			(Amount in Thousands)		
	As at March 31, 2020			As at March 31, 2019		
	USD	EUR	GBP	USD	EUR	GBP
Financial assets						
Trade receivables	536.43	-	-	744.97	-	-
Advance to suppliers	20.42	15.85	-	730.63	-	-
Derivatives designated as hedges						
Forward contracts	-	-	-	-1,518.06	-	-
Net exposure to foreign currency risk (assets)	556.85	15.85	-	-42.45	-	-
Financial liabilities						
Borrowing	7,802.26	-	-	7,500.00	-	-
Trade payables	733.29	-	-	762.00	6.45	0.51
Trade Advances	-	-	-	4.66	-	-
Derivatives designated as hedges						
Forward contracts	-	-	-	-	-	-
Net exposure to foreign currency risk (liabilities)	8,535.55	-	-	8,266.65	6.45	0.51
Net Unhedged Foreign Currency Exposure	(7,978.70)	15.85	-	(8,309.10)	(6.45)	(0.51)

b) As at the balance sheet date, following foreign currency exposure (including non financial assets and liabilities) is not hedged by a derivative instrument or otherwise:

Particulars	Amount in Rupees		Equivalent amount in USD (in thousands)	
	As at	As at	As at	As at
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Assets				
Trade receivables	404.39	515.31	536.43	744.97
Advance to suppliers	28.56	-	37.88	-
	432.95	515.31	574.31	744.97
Liabilities				
Borrowing	5,881.80	5,187.85	7,802.26	7,500.00
Trade payables	552.80	527.08	733.29	762.00
Other financial liabilities				
Trade advances	-	3.22	-	4.66
	6,434.60	5,718.15	8,535.55	8,266.65
Less: Forward contracts (USD-INR)	-	-	-	-
Less: Forward contracts (EURO-INR)	-	-	-	-
Net unhedge foreign currency exposure	6,001.65	5,202.84	7,961.24	7,521.68

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

c) Foreign currency sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Particulars	Net impact on profit before tax	
	As at March 31, 2020	As at March 31, 2019
USD sensitivity		
INR/USD - Increase by 1% (March 31, 2019 - 1%)*	(60.15)	(52.39)
INR/USD - Decrease by 1% (March 31, 2019 - 1%)*	60.15	52.39
EURO sensitivity		
INR/EURO - Increase by 1% (March 31, 2019 - 1%)*	0.13	21.67
INR/EURO - Decrease by 1% (March 31, 2019 - 1%)*	(0.13)	(21.67)

* Holding all other variables constant

(IV) Market risk - 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 had borrowed funds at both fixed and floating interest rates. The Company's interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk.

a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Fixed rate borrowings	3,946.73	3,777.87
Floating rate borrowings	62,235.12	55,766.73
Total borrowings	66,181.85	59,544.60

b) Sensitivity

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit before tax	
	Year ended March 31, 2020	Year ended March 31, 2019
Interest rate increase by 10 basis points (March 31, 2019 - 10 basis points)*	66.18	59.54
Interest rate decrease by 10 basis points (March 31, 2019 - 10 basis points)*	(66.18)	(59.54)

* Holding all other variable constant

39 Capital Management

(I) Risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of the following gearing ratio:

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Long term borrowings	27,850.53	35,781.54
Short term borrowings	12,737.58	11,024.15
Current Maturities of Long Term Debt	26,810.64	14,211.53
Less: Cash and cash equivalent	(278.06)	(34.03)
Other Bank Balances	(66.41)	(409.61)
Net debt (total borrowings net of cash and cash equivalents, other bank balances and current investments)	67,054.28	60,573.58
Total equity	3,905.51	9,970.81
Net debt equity ratio	17.17	6.08

Loan covenants

The company is currently in default with Bankers for non payment of interest and instalment, and not meeting financial covenants stipulated. The Company has filed an application on December 06, 2018 to the bankers requesting restructuring of Term Loans and Working Capital. This application for restructuring is pending for consideration by the Consortium. Overdue amount towards outstanding principal and interest is Rs. 26,250.31 Lakhs as at March 31, 2020.

40 Related Party Transactions

a) Key management personnel

Name	Nature of relationship
Mr. Murarilal Mittal	Managing Director
Mr. Sumit Kumar Modak	Whole Time Director
Mr. Venkateshwara Rao Kandikuppa	Whole Time Director
Mr. Mayank Mittal	Joint Managing Director
Mr. M S Arora	Chief Executive Officer
Mr. Rakesh Kumar Jain	Chief Financial Officer
Mr. Shailesh Rakhasiya	Company Secretary

b) List of Others over which key management personnel or relatives of such personnel exercise significant influence or control and with whom transaction have taken place during the year:

Gyanshankar Investment & Trading Co. Pvt. Ltd
 Stellar Credit and E-Trading Pvt Ltd till 10.01.2018 (Refer note on Amalgamation below)
 Treezec E- Solutions Pvt Ltd

c) Relatives of Key Management Personnel

Mr. Manan Mittal
 Dr. Sharwan Kumar Mittal

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

d) Disclosure in respect of significant transactions with related parties during the year:

Particulars	Transactions	
	Year ended March 31, 2020	Year ended March 31, 2019
1) Key management personnel compensation		
Mr. Murarilal Mittal	80.00	80.00
Mr. Sumit Kumar Modak	38.30	38.30
Mr. Venkateshwara Rao Kandikuppa	21.88	21.88
Mr. Mayank Mittal	75.40	75.40
Mr. M S Arora	69.60	73.07
Mr. Rakesh Kumar Jain	22.41	24.60
Mr. Shailesh Rakhasiya	8.21	7.56
Total key management personnel compensation	315.80	320.81
2) Remuneration to Relative		
Mr. Manan Mittal	18.00	6.00
Dr. Sharwan Kumar Mittal	9.00	9.00
Total remuneration to Relative	27.00	15.00
3) Intercompany Deposits taken/(paid) during the year		
Gyanshankar Investment & Trading Co. Pvt. Ltd	-	(125.25)
Total Intercompany Deposits taken/(paid) during the year	-	(125.25)
4) Interest Expense on Intercompany Deposits		
Gyanshankar Investment & Trading Co. Pvt. Ltd	163.07	335.93
Total Interest Expense on Intercompany Deposits	163.07	335.93
5) Purchase of Services		
Treezec E- Solutions Pvt Ltd	8.82	14.57
Total Purchase of Services	8.82	14.57
6) Purchase of Software/ Licenses		
Treezec E- Solutions Pvt Ltd	-	12.56
Total Purchase of Services	-	12.56
7) Balance outstanding at the end of the year:		
Treezec E- Solutions Pvt Ltd	0.39	-
Gyanshankar Investment & Trading Co. Pvt. Ltd (Net of TDS)	3,946.73	3,800.09
Total Balance outstanding at the end of the year:	3,947.12	3,800.09

41 Micro, Small and Medium Enterprises Development Act, 2016

No Interest is paid / payable during the year to any enterprise registered under Micro Small and Medium Enterprises Development Act, 2006 (MSMED). The information has been determined to the extent such parties could be identified on the basis of the status of suppliers under MSMED.

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

- 42** The Company has filed an application on December 06, 2018 to the bankers requesting restructuring of Term Loans. This application for restructuring is pending for consideration by the Consortium. Overdue amount towards outstanding principal and interest is Rs. 26,250.31 Lakhs as at March 31, 2020

43 Contingent liabilities

i) The Company has contingent liabilities as at the year end in respect of:

Particulars	As at March 31, 2020	As at March 31, 2019
Disputed direct taxes	53.79	173.52
Disputed indirect taxes	-	18.54

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

The Company does not expect any re-imbursements in respect of the above contingent liabilities.

44 Capital and other commitments

i) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	As at March 31 2020	As at March 31 2019
Property plant and equipment	775.00	775.00
Intangible assets under development	28.40	20.00

ii) Other commitments

Particulars	As at March 31 2020	As at March 31 2019
Performance Guarantees / Bid bond given by Banks to Company's customers / government authorities etc	378.35	505.06
Letter of Credit outstanding for Procurement of Raw Materials	77.05	-
In accordance with the EPCG Scheme imports of Capital goods are allowed to be made duty free subject to the condition that the Company shall fulfil in future a specified amount of Export obligation within a specified time. Amount of Export obligation yet to be fulfilled by the Company as at 31 March 2020 is Rs. Nil (Previous year - Rs 82,62,73,967). Amount of Duty Saved on above	-	1,377.12
In accordance with the Advance License, imports of Raw Materials are allowed to be made duty free subject to the condition that the Company shall fulfil in future a specified amount of Export obligation within a specified time. Amount of Export obligation yet to be fulfilled by the Company as at 31 March 2020 is Rs 13,04,993 (Previous year - Rs 8,76,25,342) Amount of Duty Saved on above	3.48	202.95

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

45 Operating lease

The Company has operating leases for premises and vehicles. These lease arrangements range for a period within one year to three years. The leases have varying terms, escalation clauses and renewal rights.

i) Rent expense with respect to all operating leases:

Particulars	Year ended March 31 2020	Year ended March 31 2019
Lease payment recognised in the statement of profit and loss during the year	68.34	76.11

ii) With respect to non-cancellable operating leases the future minimum lease payments are as follows:

Particulars	As at March 31 2020	As at March 31 2019
Not later than one year	-	0.03

46 The Company was awarded a arbitral award ("the Award") for the sum of Rs. 114.78 Lakhs from the Central Organisation Railway Electrification ("CORE") and Rs. 0.98 Lakhs towards cost of the Company through Arbitration Order dated January 19, 2014. CORE has filed an Arbitration Case No. 478 of 2014 before Court of District Judge Allahabad for setting aside the Award and also allowing a sum of Rs. 120 Lakhs withheld by CORE from our Company towards the Risk Purchase Notice. Our Company has filed a Counter- Claim Petition in the said Arbitration case claiming from CORE the sum of Rs. 120 Lakhs plus a sum of Rs. 57.35 Lakhs being interest at the rate of 18% till date of filing.

47 The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of M/s. Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. There are interpretative issues related to the judgement which require clarification. Further Surya Roshni has filed a review petition with hon'ble Supreme Court which is pending for disposal Pending decision on the subject review petition and clarificatory directions from the EPFO, the impact, if any, is not ascertainable and consequently no effect has been given in the accounts.

48 Details of Employee Stock Options

The Company has granted Employee Stock Options (ESOP) under the Bharat Wire Ropes Limited Employee Stock Option Plan, 2017 "**BWR ESOP 2017**" or the "**Plan**" to the employees of the Company with a right to subscribe to equity shares ("New Options") at a price Rs. 90/-. The Salient features of the Scheme are as under:

Vesting: The Options so Granted will vest over a period of 4 years from the date of Grant in the following manner:

Time Period of Vesting	Percentage of Options Vested
After 1 year from the date of Grant	35%
After 2 years from the date of Grant	35%
After 3 years from the date of Grant	30%

Exercise – The Exercise Period pursuant to BWR Employee Stock Option Plan 2017 will be 1 year from the date of last vesting. The Grant of an Option shall entitle the holder of the option to apply for one Share in the Company at the Exercise Price. In the event of cessation of employment due to death, resignation or otherwise, the options may lapse or be exercisable in the manner specifically provided for in the scheme.

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2020 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in rupees lakhs, unless otherwise stated)

Stock options outstanding as at the year end are as follows:

Particulars	(Amt. in lakhs)	
	As at March 31, 2020	As at March 31, 2019
Exercise price	Rs 90	Rs 90
Date of grant	10-April-2017	10-April-2017
Vesting period	4 Years	4 Years
Opening balance (Nos.)	20,98,500	20,98,500
Granted during the year (Nos.)	-	-
Exercised during the year (Nos.)	-	-
Lapsed during the year (Nos.)	-	-
Surrender of Shares (Nos.)	2,90,000	-
Closing balance (Nos.)	18,08,500	20,98,500

- 49 The Company, based on internal & external sources of information including market research, economic forecast and other information, has assessed that as a result of Covid-19 outbreak, there is no significant financial impact on the financial statements for the year ended March 31, 2020 as at the date of approval of these financial statements. Due to the nature of the pandemic, the Company will continue to monitor developments to Identify significant uncertainties in future periods, if any.
- 50 Previous year's figures have been regrouped or reclassified to conform with the current years' presentation wherever considered necessary.

The above Balance sheet should be read in conjunction with the accompanying notes

As per our report of even date attached

For Sureka Associates

Chartered Accountants

Firm Registration No:110640W

Suresh Sureka
Partner

Membership No : 34132

Date:

Place:

Manging Director

Murarilal Mittal
DIN: 00010689

July 16, 2020

Mumbai

For and on behalf of the Board of Directors

Whole Time Director

Venkateswararao Kandikuppa
DIN: 06456698

Chief Financial Officer

Rakesh Kumar Jain
PAN: ABBPJ5834H

Chief Executive Officer

Mahender Singh Arora
PAN : AABPA9704C

Company Secretary

Shailesh Rakhasiya
PAN: ALUPR5390R

NOTICE OF 34TH ANNUAL GENERAL MEETING

Notice is hereby given that the 34th Annual General Meeting of Members of Bharat Wire Ropes Limited ('the Company') will be held on **Tuesday, September 15, 2020 at 01.00 P.M.** through Video conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2020 together with Reports of the Board of Directors' and Auditor's thereon.
2. To appoint a Director in place of **Mr. Sumit Kumar Modak (DIN: 00983527)**, Whole - Time Director, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.

3. **To consider and approve the appointment of Statutory Auditor of the Company and to fix their remuneration:**

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

"RESOLVED THAT pursuant to provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, **M/s. NGS and Co. LLP** Chartered Accountants, (Firm Registration No. 0119850W) be and is hereby appointed as the Statutory Auditors of the Company to hold the office from the conclusion of 34th Annual General Meeting till the conclusion of 39th Annual General Meeting of the Company at a remuneration determined by the Board of Directors of the Company in consultation with Audit Committee.

RESOLVED FURTHER THAT Mr. Murarilal Mittal (Managing Director), Mr. Venkateswararao Kandikuppa (Whole - Time Director) or Mr. Shailesh Rakhasiya (Company Secretary & Compliance Officer) of the Company be and are hereby authorized to file necessary e-forms with Registrar of Companies for appointment of Statutory Auditor and to do all such other acts as may be necessary to give effect to the aforesaid resolution."

Special Business:

4. **To ratify the remuneration payable to M/s. Dilip M. Bathija (Firm Registration No. 100106), Cost Auditor of the Company for FY 2020-21:**

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of

the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the consent of the Company be and is hereby accorded to ratify the remuneration of 1,00,000/- (Rupees One Lakh only) plus Goods & Service Tax & re-imbursement of out-of-pocket expenses for conducting audit of the cost records of the Company for the Financial Year 2020-21 to **M/s. Dilip M. Bathija**, Cost Accountants (Firm Registration No. **100106**) who was appointed as Cost Auditor of the Company by the Board of Directors at its meeting held on July 16, 2020.

RESOLVED FURTHER THAT Mr. Murarilal Mittal (Managing Director), Mr. Venkateswararao Kandikuppa (Whole - Time Director) or Mr. Shailesh Rakhasiya (Company Secretary & Compliance Officer) of the Company be and are hereby authorized to file necessary e-forms with Registrar of Companies for appointment of Cost Auditor by the Company and to do all such other acts as may be necessary to give effect to the aforesaid resolution."

5. **To appoint Mr. Dinesh Kumar Jain (DIN: 06807650) as an Independent Director:**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 of the Companies Act, 2013 ('Act') read with Schedule IV and other applicable provisions, if any, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification(s) or amendment thereof, for the time being in force) and on recommendation of Nomination and Remuneration Committee, **Mr. Dinesh Kumar Jain (DIN: 06807650)** who was appointed as an Additional Director (Non-Executive Independent) w.e.f. July 16, 2020 and who holds office till the conclusion of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years i.e. up to July 15, 2025 and not liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Murarilal Mittal (Managing Director), Mr. Venkateswararao Kandikuppa (Whole - Time Director) or Mr. Shailesh Rakhasiya (Company Secretary & Compliance Officer) of the Company be and are hereby authorized to file necessary e-forms with Registrar of Companies for appointment of Independent director by the Company and to do all such other acts as may be necessary to give effect to the aforesaid resolution."

6. **To appoint Mr. Mayank Mittal (DIN: 00127248) as Joint Managing Director:**

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013(‘Act’) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to appoint Mr. Mayank Mittal (DIN: 00127248) who was appointed as an Additional Director (Executive-Promoter) of the Company by the Board of Directors with effect from August 16, 2020 in terms of Section 161 of the Act and with respect of whom the Company has received a Notice in writing from the Member under Section 160 of the Act signifying his intention to propose Mr. Mayank Mittal as a candidate for office of Joint Managing Director of the Company, for a period of 5 (five) years on such terms and conditions including remuneration as set out in the statement annexed to the Notice, with liberty to the Board of Directors and the Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment and or remuneration as it may deem fit and as may be acceptable to Mr. Mayank Mittal.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of the appointment, the Managing Director shall be paid salary, perquisites and other allowances as set out in Explanatory Statement, as the minimum remuneration, subject to ceiling as specified in Schedule V of the Companies Act, 2013 from time to time and subject to the approval of the shareholders and/or that of any other authority, if so required, in accordance with the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT Mr. Murarilal Mittal (Managing Director), Mr. Venkateswararao Kandikuppa (Whole - Time Director) or Mr. Shailesh Rakhasiya (Company Secretary & Compliance Officer) of the Company be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any committee of Directors to give effect to the resolution.”

7. **To take approval for Related Party Transactions:**

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

“RESOLVED THAT pursuant to the provisions of section 188 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (“the Act”) and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any amendment, modification, variation or re-enactment to any of the foregoing), and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, and also pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed/to be passed at their respective meetings, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board), to ratify/ approve all the material related party transactions (including any modifications, alterations or amendments thereto) entered into/ to be entered into by the Company during F.Y. 2019-20 and thereafter in the ordinary course of business and on arm’s length basis with related Party/ies within the meaning of the Act and Listing Obligations, as per below framework:

Name of the Related Party	Gyanshankar Investment and Trading Co. Private Limited.	Treezec E-Solutions Private Limited
Name of the Director or Key Managerial Personnel who is/may be related	Mr. Murarilal Mittal Mr. Manan Mittal	Mr. Murarilal Mittal Mr. Mayank Mittal
Nature of Relationship	Mr. Murarilal Mittal and Mr. Manan Mittal are directors in Gyanshankar Investment and Trading Co. Pvt. Limited. Mr. Manan is also a relative (Son) of Managing Director Mr. Murarilal Mittal.	Mr. Murarilal Mittal and Mr. Mayank Mittal are having shareholding interest in Treezec E-Solutions Private Limited
Nature and particulars of the contract / arrangement	Availing of Inter-corporate Deposits.	Availing of Staff recruitment Services.

Material terms of the contract / arrangement	The transaction for entering into agreement with its related parties is on 'arm's length' basis and is advantageous for the Company considering the experience of the related party and shall be in compliance with Section 188 and other applicable provisions of the Companies Act, 2013 and the rules thereto..	The transaction for entering into agreement with its related parties is on 'arm's length' basis and is advantageous for the Company considering the experience of the related party and shall be in compliance with Section 188 and other applicable provisions of the Companies Act, 2013 and the rules thereto..
Monetary value of the contract / arrangement	The estimated aggregate value for the matters proposed in the resolution shall not exceed Rs. 1,00,00,000/- (Rupees One Crore) Only for the financial year 2020-2021.	The estimated aggregate value for the matters proposed in the resolution shall not exceed Rs. 20,00,000/- (Rupees Twenty Lakhs) Only for the financial year 2020-2021
Duration of the transaction	One (1) year	One (1) year
The indicative base price or current contracted price and the formula for variation in the price, if any	--	--
Any other information relevant or important for the members to take a decision on the proposed resolution	--	--

RESOLVED FURTHER THAT, the Board (hereinafter referred to as 'the Board' which term shall include any Committee thereof) is hereby authorized to negotiate, finalize, vary, amend, renew and revise the terms and conditions of the transactions and enter into, sign, execute, renew, modify and amend all agreements, documents and letters thereof, from time to time.

RESOLVED FURTHER THAT Mr. Murarilal Mittal (Managing Director), Mr. Venkateswararao Kandikuppa (Whole - Time Director) or Mr. Shailesh Rakhasiya (Company Secretary & Compliance Officer) of the Company be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any committee of Directors or Director(s) to give effect to the resolution."

8. **To increase the Authorized Share Capital of the Company and amend the Memorandum of Association and Articles of Association:**

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

"RESOLVED THAT pursuant to the provisions of Sections 13, 61 and 64 and all other applicable provisions of the Companies Act, 2013, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force and rules framed thereunder) and

the Memorandum and Articles of Association of the Company, the consent of the Shareholders be and is hereby accorded to increase the Authorized Share Capital of the Company from existing Rs. Rs.52,00,00,000/ (Rupees Fifty-Two Crores Only) divided into 5,20,00,000/- (Five Crores Twenty Lakhs) Equity shares of Rs 10/- (Rupees Ten Only) to Rs. 65,50,00,000 (Rupees Sixty-Five Crores Fifty Lakhs Only) divided into Rs. 65,46,00,000 (Sixty-Five Crore Forty-Six Lakhs) divided into 6,54,60,000 (Six Crore Fifty-Four Lakhs Sixty Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each and Rs. 4,00,000 (Rupees Four Lakhs Only) divided into 40,000 (Forty Thousand) 0.01% Compulsorily Convertible Preference Shares of Rs. 10/- (Rupees Ten Only) each, by creation of additional 1,34,60,000 (One Crore Thirty-Four Lakhs Sixty Thousand) Equity shares of Rs. 10/- (Rupees Ten Only) each and 40,000 (Forty Thousand) 0.01% Compulsorily Convertible Preference Shares of Rs. 10/- (Rupees Ten Only).

RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association of the Company be deleted and substituted by the following:

"V. The Authorised Share Capital of the Company is Rs. 65,50,00,000 (Rupees Sixty-Five Crore Fifty Lakhs Only) divided into Rs. 65,46,00,000 (Rupees Sixty-Five Crore Forty-Six Lakhs Only) divided into 6,54,60,000 (Six Crore Fifty-Four Lakhs Sixty Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each and Rs. 4,00,000 (Rupees Four Lakhs Only) divided into 40,000 (Forty Thousand) 0.01%

Compulsorily Convertible *Preference Shares of Rs. 10/- (Rupees Ten Only) each, with the rights, privileges and conditions attached thereto as per the relevant revisions contained in that behalf in the Articles of Association of the Company and with power to increase or reduce the Capital and to divide the shares in the capital for the time being into several classes (being those specified in Companies Act, 2013), and to attach thereto respectively such preferential, qualified special right, privileges or conditions in such manner as may be permitted by the said Act or provided by the Articles of Association of the Company for the time being in force.*"

RESOLVED FURTHER THAT the existing Clause 5a of the Articles of Association of the Company be deleted and substituted by the following:

5a. *"The Authorised Share Capital of the Company is Rs. 65,50,00,000 (Rupees Sixty-Five Crore Fifty Lakhs Only) divided into Rs. 65,46,00,000 (Rupees Sixty-Five Crore Forty-Six Lakhs Only) divided into 6,54,60,000 (Six Crore Fifty-Four Lakhs Sixty Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each and Rs. 4,00,000 (Rupees Four Lakhs Only) divided into 40,000 (Forty Thousand) 0.01% Compulsorily Convertible Preference Shares of Rs. 10/- (Rupees Ten Only) each, with power to increase or reduce the capital for the time being and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, cumulative, convertible, preference, guaranteed, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, alter, modify, amalgamate or abrogate any such rights, privileges or conditions in such a manner as may for the time being be provided for by the Articles of Association of the Company or by the law in force for the time being."*

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any one of the Directors or the Company Secretary be and are hereby authorized to take all such steps and actions and give such direction as may in its absolute discretion deem necessary and to settle any question that may arise in this regard, without being required to seek further consent or approval of the Members and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any committee of Board or any officer(s)/ authorized representative(s) of the Company to give effect to the aforesaid resolution."

9. **To approve in-principle the 'Resolution Plan' of the Company under the 'Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019', issued by the Reserve Bank**

of India in relation to restructuring of the debt of the Company.

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

"RESOLVED THAT subject to the applicable provisions of the Companies Act, 2013 for the time being in force; and all other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force); hereinafter collectively referred as "**Companies Act**") and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**"), Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011 ("**SEBI Takeover Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI LODR Regulations**"), listing agreements entered into with the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**") (hereinafter collectively referred to as the "**Stock Exchanges**"), (including any statutory modification(s) or re-enactment for the time being in force of any of the aforesaid legislations), the applicable circulars, rules, notifications, guidelines issued by the Government of India, the Reserve Bank of India ("**RBI**"), Securities and Exchange Board of India ("**SEBI**") or otherwise and any regulatory or other appropriate authorities from time to time and subject to such approvals, permissions, sanctions and consents as may be necessary from any regulatory or other appropriate authorities (including but not limited to SEBI, the RBI, Government of India, etc.) which may be agreed to by the Board of Directors of the Company from time to time (hereinafter referred to as the "**Board**", which terms shall be deemed to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred under this resolution), the shareholders hereby approves certain terms such as issuance of Compulsorily Convertible Preference Shares and Equity Shares to the lenders and issuance of Equity Shares to the Promoters and other investors respectively (as set out in the Explanatory Statement), as the case maybe, pursuant to the proposed 'Resolution Plan' of the Company ("**BWRL RP**" or "**BWRL Resolution Plan**") being under the process of consideration and as approved/may be approved by the appropriate authorities including the banks and financial institutions to whom the Company owes debt (the "**Lenders**") whose loans are proposed to be restructured, etc., under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 dated June 07, 2019, issued by the Reserve Bank of India in relation to restructuring of

the debts of the Company and further directions/circulars issued by RBI from time to time in this regard (“**RBI Directions**”).

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized on behalf of the Company to discuss negotiate and finalise the terms of the BWRL RP in the manner as may be mutually approved by the Company and/or the Lenders and/or trustees, to sign and execute term sheets, inter-creditor agreement, master restructuring agreement, various other agreements, deeds, instruments, documents and writings as may be required, to resolve any difficulties, to effect any modifications, amendments, changes, variations, alterations, additions and / or deletions to any documents, to amend or make changes to the documents and execute various other documents in pursuance of the BWRL RP approved/ to be approved by appropriate authorities including the Lenders on the basis of the terms set out thereunder as may be agreed between the Company and the Lenders and execute the necessary documents for the same including, *inter alia*, in relation to the issuance of securities including Non-Cumulative, Non-Voting Compulsorily Convertible Preference Shares (“CCPS”) and to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary and desire for such purpose and are also authorized to delegate all or any of the powers herein to the Managing Director or any Whole-time Director or Directors or any other officer(s) of the Company on behalf of the Company, which they may in their absolute discretion deem fit and proper and in the best interest of the Company, without being required to seek any further consent or approval of the members or otherwise”.

10. **Proposed Issue of 0.01% Compulsory Convertible preference Shares (“CCPS”) on preferential basis to the Lenders in terms of the ICDR Regulations pursuant to proposed ‘Resolution Plan’ of the Company under the ‘Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019’ issued by the Reserve Bank of India in relation to restructuring of the debt of the Company.**

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

“RESOLVED THAT pursuant to the BWRL Resolution Plan under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 (“**RBI Directions**”) dated June 07, 2019, issued by the Reserve Bank of India in relation to restructuring of the debts of the Company, pursuant to the provisions of Section 23, Section 53, Section 55, Section 62 read with Section 42 and other applicable provisions, if any, of the Companies Act and the Rules made thereunder (including any statutory modification(s) or re-enactment

thereof for the time being in force) and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company, read with the Securities and Exchange Board of India (Listing Obligation and Disclosures Requirement) Regulations, 2015, as may be modified or re-enacted from time to time (“**Listing Regulations**”), provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as may be modified or re-enacted from time to time (“**ICDR Regulations**”), and Securities Exchange Board of India (Substantial Acquisitions of Shares and Takeover) Regulations, 2011, as may be modified or re-enacted from time to time (“**SEBI Takeover Regulations**”) and all other applicable laws, the applicable rules, notifications, guidelines issued by various authorities including but not limited to the Government of India (“**GOI**”), the Securities and Exchange Board of India (“**SEBI**”), the Reserve Bank of India (“**RBI**”), Ministry of Corporate Affairs (“**MCA**”), Stock Exchanges where the securities of the Company are listed and other competent authorities and subject to the approvals, permissions, sanctions and consents as may be necessary from any regulatory and other appropriate authorities (including but not limited to the GOI, SEBI, RBI, MCA, Stock Exchanges, etc.), and all such other approvals, and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, sanctions and consents, which may be agreed to by the Board of Directors (hereinafter referred to as the “**Board**”, which term shall be deemed to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution), the consent of the shareholders be and is hereby accorded to the Board for conversion of loan to the extent of upto Rs. 400 Crores (Rupees Four Hundred Crores Only) from the Lenders into upto 40,000 (Forty Thousand Only) Non-Cumulative, Non-Voting 0.01% Compulsory Convertible Preference Shares (“CCPS”) of the face value of Rs. 10/- each (Rupees Ten Only) fully paid up at an issue price of upto Rs. 1,00,000 (Rupees One Lakh Only) including Premium of Rs. 99,990/- each (Rupees Ninety-Nine Thousand Nine Hundred and Ninety Only), convertible into equity shares at such price to be determined in accordance with ICDR Regulations read with the RBI Directions and other extant regulations and/or guidelines of the SEBI and RBI in this regard, at any time in terms of the BWRL RP documents by the Lenders or holders of CCPS (“**Issue Price**”), on preferential basis, which will carry a dividend of 0.01% (Zero point zero One Per cent) per annum, in one or more tranches, in accordance with the applicable provisions of ICDR Regulations, RBI Directions, the Companies Act or any other law for time being in force, convertible into fully paid up Equity Shares of the Company of face value of Rs.10/- (Rupees Ten only) each, at such price to be determined in accordance with ICDR Regulations read

with the RBI Directions and other extant regulations and/or guidelines of the SEBI and RBI in this regard, ranking pari-passu in all respects, including as to dividend, with the existing Equity Shares of the Company, to Lenders of the Company (hereinafter referred to as the “**Proposed Allottees /CCPS holders**”) whether they are the Shareholders of the Company or not, more particularly mentioned in the table below, in such manner and on such other terms and conditions, as the Board may, in its absolute discretion, think fit:

Proposed Allottees	Address	PAN	Category
State Bank of India	Stressed Asset Management Branch - I, The Arcade, 2nd Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai – 400005	AAACS8577K	Non-Promoter (Lender)
Bank of Baroda (Bank of Baroda + erstwhile Vijaya Bank Limited)	Emerging Corporate Branch, 105 , 10th Floor, Makers Chamber III, Nariman Point Mumbai - 4000 21	AAACB1534F	Non-Promoter (Lender)
Exim Bank of India	Corporate Banking Group Centre, One Building, Floor 21, World Trade Centre Complex, Cuffe Parade, Mumbai – 400005	AAACE2769D	Non-Promoter (Lender)
Union Bank of India (Union Bank + Corporation Bank) + Union Bank of India (UK) Limited	Industrial Finance Branch, Union Bank Bhawan, First Floor, 239, Vidhan Bhawan Marg, Nariman Point, Mumbai – 400021	AAACU0564G	Non-Promoter (Lender)
Central Bank of India	Corporate Finance Branch, Ground Floor, Chander Mukhi, Nariman Point, Mumbai 400 021, Maharashtra.	AAACC2498P	Non-Promoter (Lender)

RESOLVED FURTHER THAT the offer, issue and allotment of the aforesaid CCPS to the Proposed Allottees and the Equity Shares resulting from the exercise of the entitlement of the said CCPS, shall be subject to applicable guidelines, notifications, rules and regulations and on the terms and conditions given herein below:

1. The ‘Reference Date’ for the purpose of determination of issue price of the Equity Shares arising on conversion of CCPS, shall be determined in accordance with the RBI Directions read with ICDR Regulations and other extant regulations and/or guidelines of the SEBI and the RBI (including relevant provisions relating to the applicable lock-in restriction pertaining to the Equity Shares);

a) In terms of RBI Directions, the following are the conversion terms:

The issue price of the equity shall be the lower of (i) or (ii) below:

i.a. The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty- six weeks preceding the ‘reference date’ or

i.b. The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognized stock exchange during the two weeks preceding the ‘reference date’, whichever is lower; and

ii. Book value: Book value per share to be calculated from the audited balance sheet as on March 31st of the immediate preceding financial year (without considering ‘revaluation reserves’, if any) adjusted for cash flows and financials post the earlier restructuring, if any. The balance sheet shall not be more than a year old. In case the audited balance sheet as on March 31st of the immediate preceding financial year is not available the total book value of the borrower company shall be reckoned at Re.1.

b) In the case of conversion of convertible securities into equities, the ‘reference date’ shall be the date on which the Lenders approve the conversion of the convertible securities into equities.

c) The price at which each Equity Shares will be issued and allotted to each Preference Shareholder on conversion, will be determined in accordance with aforesaid RBI Directions read with ICDR Regulation and other applicable law and other extant regulations and/or guidelines of the SEBI and the RBI.

2. The CCPS and the Equity Shares to be allotted pursuant to conversion of the CCPS shall be in dematerialised form and subject to lock-in as applicable under ICDR Regulations;

3. The payment consideration for the allotment of the CCPS shall be by appropriation of the outstanding loan/debt due to the Lenders, payable by the

Company under the unsustainable portion of the entire balance outstanding of the Company, in accordance with the terms of the BWRL RP; there is no upfront payment of consideration, as the loan/debt which is outstanding from the Company to the Lenders as the unsustainable portion of the entire balance outstanding of the Company as per BWRL RP shall have to be appropriated at the time of allotment of the CCPS;

4. Equity Shares allotted pursuant to conversion of the CCPS shall only be made in dematerialized form and shall, subject to receipt of necessary approvals, be listed and traded on the BSE Limited and National Stock Exchange of India Limited.
5. In pursuance of the Preferential Issue, as aforesaid, the CCPS to be allotted to the Proposed Allottees shall remain locked-in for such period as specified under the ICDR Regulations.
6. The terms of the CCPS do not confer to the Proposed Allottees any rights similar to that of the equity shareholders of the Company unless converted into resultant Equity Shares;
7. In the event of any liquidation or winding up of the Company, CCPS holders shall be entitled to receive, in preference to the holders of the Equity Shares and any series of preferred stock in the Company, any accrued but unpaid dividends. Thereafter, the remaining assets shall be distributed to the holders of the Equity Shares and CCPS;
8. The CCPS holders shall be entitled to receive non-cumulative dividends in preference to any dividend on the Equity Shares and any series of preferred stock at the Coupon Rate (i.e. 0.01%) applied on the face value of the CCPS.
9. The CCPS shall carry voting rights in accordance with Companies Act 2013. However, all equity shares issued upon conversion will have same voting rights as other Equity Shares of the Company;
10. Each CCPS (including premium) is convertible into such number of shares at such price to be determined in accordance with ICDR Regulations read with the RBI Directions, and other extant regulations and/or guidelines of the SEBI and RBI in this regard, at any time in terms of the BWRL RP documents by the Lenders or holders of CCPS
11. The Board be and is hereby authorized to decide and approve the other terms and conditions of the issue of CCPS, and also shall be entitled to vary, modify or alter any of the terms and conditions, as it may deem expedient, subject however to compliance with the Listing Regulations with the Stock Exchange(s), and applicable guidelines, notifications, rules and regulations in this regard(if applicable);

12. The Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director(s) or to any Committee of Directors or employee or officer of the Company, as it may consider appropriate, to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT pursuant to the applicable provisions of the Companies Act, 2013 the names of the Lenders be recorded for the issue of invitation to subscribe to the CCPS and a private placement offer letter in Form No. PAS-4, if so required, together with an application form be issued to the Lenders inviting them to subscribe to the CCPS, and consent of the Shareholders is hereby accorded to the issuance of the same to the Lenders inviting them to subscribe to the CCPS.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such Equity Shares as may be required to be issued and allotted upon conversion of the said CCPS and that Equity Shares shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank pari-passu in all respects, including entitlement for dividend, with the existing equity shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to decide and approve other terms and conditions of the issue of the CCPS and shall also be entitled to vary, modify or alter any of the terms and conditions, as it may deem fit, subject however to the compliance with the applicable guidelines, notifications, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept the terms, conditions, modifications and stipulations as the GOI, RBI, SEBI, MCA or Stock Exchanges or any other regulatory authority may stipulate while granting approval to the Company for issue of the CCPS as aforesaid.

RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company, be and are hereby authorized to take necessary steps for listing of the equity shares allotted upon conversion of CCPS on Stock Exchanges, where the Company's shares are listed, as per the terms and conditions of the Listing Regulations, and in accordance with such other guidelines, rules and regulations as may be applicable with regard to such listing.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board be and is hereby authorized to engage / appoint lead managers, brokers, underwriters, guarantors, depositories, custodians, registrars, stabilizing agent, trustees, bankers, and other consultants and advisors to the issue and to remunerate them by way of commission, brokerage, fees and/or

other charges and also to enter into and execute all such arrangements, agreements, memorandum, documents, etc. with such agencies, as may be required, and as permitted by law.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board be and is hereby authorized to delegate any or all of the powers conferred upon it by this resolution to any committee of directors, any other director(s), and/or officer(s) of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, any of the Directors of the Company and Company Secretary, be and are hereby jointly and severally authorized to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary, expedient, usual, proper, incidental or desirable and to settle any question, difficulties or doubts that may arise in this regard and in regard to the issue, allotment of the CCPS and/or equity shares and utilisation of the issue proceeds, to prescribe the forms of applications, enter and execute all such deeds, documents, agreements or other instruments, and to take such actions/directions as they may consider as being necessary or desirable and to obtain any approval, permissions, sanctions which may be necessary or desirable as they may deem fit.”

11. Proposed Issue of Equity Shares on preferential basis to the Lenders in terms of the ICDR Regulations pursuant to proposed ‘Resolution Plan’ of the Company under the ‘Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019’ issued by the Reserve Bank of India in relation to restructuring of the debt of the Company

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

“RESOLVED THAT pursuant to Section 23, Section 42, Section 53, Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force), Memorandum and Articles of Association of the Company, Listing Agreements entered into by the Company with Stock Exchanges where the Company’s shares are listed and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as may be modified or re-enacted from time to time (**“the ICDR Regulations”**), read with the Securities and Exchange Board of India (Listing Obligation and Disclosures Requirement) Regulations, 2015, as may be modified or re-enacted from time to time (**“the Listing Regulations”**), the Securities Exchange Board of India (Substantial Acquisitions of

Shares and Takeover) Regulations, 2011 as may be modified or re-enacted from time to time (**“the SEBI Takeover Regulations”**) and other applicable regulations of Securities and Exchange Board of India (**“SEBI”**), if any (for the time being in force) as may be applicable to the preferential issue of equity shares, the BWRL Resolution Plan (**“BWRL RP”** or **“BWRL Resolution Plan”**) being under process of consideration and as approved/ may be approved by the banks and financial institutions to whom the Company owes debt (the **“Lenders”**) whose loans are proposed to be restructured, etc., under the “Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019” dated June 07, 2019, (**“RBI Directions”**) issued by the Reserve Bank of India (**“RBI”**) in relation to restructuring of the debts of the Company in terms of RBI Directions and further circulars/directions issued by RBI from time to time in this regard, the applicable rules, notifications, guidelines issued by various authorities including but not limited to the Government of India (**“GOI”**), SEBI, RBI, Ministry of Corporate Affairs (**“MCA”**), Stock Exchanges where the securities of the Company are listed and other competent authorities, and subject to the approval(s), consent(s), permission(s) and/or sanction(s) as may be required from the Central Government, RBI, SEBI and/or from any other appropriate authority, consent of the Shareholders of the Company be and is hereby accorded to the Board of Directors of the Company, (hereinafter referred to as **“the Board”** which term shall be deemed to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution), for conversion of the part of the loan from the Lenders into Equity Shares on preferential basis by issue of 62,57,320 (Sixty-Two Lakhs Fifty Seven Thousand Three Hundred Twenty Only) Equity Shares however not exceeding 63,00,000 (Sixty Three Lakhs) equity shares of the face value of Rs. 10/- each (Rupees Ten Only) at an issue price of Rs. 08.69 (Book Value as on March 31, 2020) (Rupees Eight and Sixty-Nine Paise Only) or at such other price to be determined in accordance with ICDR Regulations read with the RBI Directions, and other extant regulations and/or guidelines of the SEBI and RBI in this regard, at any time in terms of the BWRL RP documents by the Lenders (**“Issue Price”**), on preferential basis, in one or more tranches, in accordance with the applicable provisions of ICDR Regulations, RBI Directions, the Companies Act, 2013 or any other law for time being in force, ranking pari-passu in all respects, including as to dividend, with the existing Equity Shares of the Company, to Lenders of the Company (hereinafter referred to as the **“Proposed Allottees”**) whether they are the Shareholders of the Company or not, more particularly mentioned in the table below, in such manner and on such other terms and conditions, as the Board may, in its absolute discretion, think fit

Proposed Allottees	Address	PAN	Category
State Bank of India	Stressed Asset Management Branch - I, The Arcade, 2nd Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai – 400005	AAACS8577K	Non-Promoter (Lender)
Bank of Baroda (Bank of Baroda + erstwhile Vijaya Bank Limited)	Emerging Corporate Branch, 105 , 10th Floor, Makers Chamber III, Nariman Point Mumbai - 4000 21	AAACB1534F	Non-Promoter (Lender)
Exim Bank of India	Corporate Banking Group Centre, One Building, Floor 21, World Trade Centre Complex, Cuffe Parade, Mumbai – 400005	AAACE2769D	Non-Promoter (Lender)
Union Bank of India (Union Bank + Corporation Bank) + Union Bank of India (UK) Limited	Industrial Finance Branch, Union Bank Bhawan, First Floor, 239, Vidhan Bhawan Marg, Nariman Point, Mumbai – 400021	AAACU0564G	Non-Promoter (Lender)
Central Bank of India	Corporate Finance Branch, Ground Floor, Chander Mukhi, Nariman Point, Mumbai 400 021, Maharashtra.	AAACC2498P	Non-Promoter (Lender)

RESOLVED FURTHER THAT

- a) the “Reference Date” for the purpose of determination of the price of the Equity Shares pursuant to the above -mentioned resolution shall be determined in accordance with RBI Directions read with ICDR Regulations, and other extant regulations and/or guidelines of the SEBI and the RBI (including relevant provisions relating to the applicable lock-in restriction pertaining to the Equity Shares);

In terms of the RBI Directions, the following are the pricing terms:

The issue price of the equity shall be the lower of (i) or (ii) below:

- a.i. The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the twenty six weeks preceding the ‘reference date’ or the average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the ‘reference date’, whichever is lower; and
- a.ii. Book value: Book value per share to be calculated from the latest audited balance sheet (without considering ‘revaluation reserves’, if any) adjusted for cash flows and financials post the earlier restructuring, if any. The date as on which the latest balance sheet is drawn up should not precede the date of restructuring by more than 18 months. In case the latest audited balance sheet is not available the shares are to be collectively valued at Re.1 per company.

In the case of conversion of debt into equities, the ‘reference date’ shall be the date on which the Lenders approve the restructuring plan.

- b) The payment of consideration for the allotment of the Equity Shares shall be by appropriation of the outstanding loan/debt due to the Lenders, payable by the Company under the unsustainable portion of the balance outstanding of the Company, in accordance with the terms of the proposed BWRL Resolution Plan; there is no upfront payment of consideration, as the loan/debt which is outstanding from the Company to the Lenders as part of the unsustainable portion of debt of the Company as per proposed BWRL Resolution Plan shall have to be appropriated at the time of allotment of the Equity Shares.
- c) The Board is hereby authorized to decide and/or modify the terms and conditions of allotment of the Equity Shares, in accordance with the provisions of ICDR Regulations, RBI Directions and other extant regulations and/or guidelines of the SEBI and the RBI.

RESOLVED FURTHER THAT, the price/amount per Equity Share to be issued and allotted shall be determined on the basis of the value per share derived as per the aforesaid terms and conditions.

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted shall rank *pari passu* with the existing Equity Shares of the Company in all respects including dividend.

RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, the names of the Lenders be recorded for the issue of invitation to subscribe to the Equity Shares and a private placement offer letter in Form No. PAS-4, if so required, together with an application form be issued to the Lenders inviting them to subscribe to the Equity Shares, and consent of the Board is hereby accorded to the issuance of the same to the Lenders inviting them to subscribe to the Equity Shares.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept the terms, conditions,

modifications and stipulations as the GOI, RBI, SEBI, MCA or Stock Exchanges or any other regulatory authority may stipulate while granting approval to the Company for issue of the Equity Shares as aforesaid.

RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company, be and are hereby authorized to take necessary steps for listing of the equity shares on Stock Exchanges, where the Company's shares are listed, as per the terms and conditions of the Listing Regulations, and in accordance with such other guidelines, rules and regulations as may be applicable with regard to such listing.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board or any Director(s) or any officer(s) of the Company be and are hereby authorized severally on behalf of the Company, to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary, expedient, usual, proper, incidental or desirable, to sign all documents and settle all questions, difficulties, or doubts that may arise in regard to the issue, offer and allotment of the securities and utilization of the issue proceeds, as they may in their absolute discretion deem fit, including but not limited to prescribing the forms of applications, entering and executing all such deeds, documents, agreements or other instruments, to take such actions/directions as they may consider as being necessary or desirable and to obtain any approval, permissions, sanctions which may be necessary or desirable as they may deem fit, seeking approval of the listing of the Equity Shares issued and allotted pursuant to the making, amending and finalizing all applications for any approvals, consents or permissions as may be considered necessary, proper and expedient, making disclosures to the stock exchange where the securities of the Company are listed, including sub-delegating the above powers to any committee of the Board, any other director or officer of the Company, to the extent deemed necessary and expedient, to form a Committee and /or delegate all or any of their powers to any committee of directors (including any officer(s) of the Company) and are authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deemed necessary or desirable for such purpose in the best interest of the Company to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board be and is hereby authorized to engage / appoint lead managers, brokers, underwriters, guarantors, depositories, custodians, registrars, stabilizing agent, trustees, bankers, and other consultants and advisors to the issue and to remunerate them by way of commission, brokerage, fees and/or other charges and also to enter into and execute all such arrangements, agreements, memorandum, documents, etc. with such agencies, as may be required, and as permitted by law.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board be and is hereby authorized to delegate any or all of the powers conferred upon it by this resolution to any committee of directors, any other director(s), and/or officer(s) of the Company.

12. **Proposed Issue of Equity Shares on preferential allotment/ private placement basis to promoters and other investors.**

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

“RESOLVED THAT pursuant to Section 23, Section 42, Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force), Memorandum and Articles of Association of the Company, Listing Agreements entered into by the Company with Stock Exchanges where the Company's shares are listed and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as may be modified or re-enacted from time to time (**“the ICDR Regulations”**) read with the Securities and Exchange Board of India (Listing Obligation and Disclosures Requirement) Regulations, 2015, as may be modified or re-enacted from time to time (**“the Listing Regulations”**), the Securities Exchange Board of India (Substantial Acquisitions of Shares and Takeover) Regulations, 2011 as may be modified or re-enacted from time to time (**“the SEBI Takeover Regulations”**) and other applicable regulations of Securities and Exchange Board of India (**“SEBI”**), if any (for the time being in force) as may be applicable to the preferential issue of equity shares, the applicable rules, notifications, guidelines issued by various authorities including but not limited to the Government of India (**“GOI”**), SEBI, Reserve Bank of India (**“RBI”**), Ministry of Corporate Affairs (**“MCA”**), Stock Exchanges and other competent authorities, and subject to the approval(s), consent(s), permission(s) and/or sanction(s) as may be required from the Central Government, RBI, SEBI, MCA, Stock Exchanges and/or from any other appropriate authority, consent of the Shareholders of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as **“the Board”**) which term shall be deemed to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution to offer, issue, and allot in one or more tranches upto 1,13,63,636 Equity Shares (One Crore Thirteen Lakhs Sixty Three Thousand Six Hundred and Thirty Six Shares) of the face value of Rs. 10/- each (Rupees Ten Only) fully paid up at an issue price of upto Rs. 22/- (Rupees Twenty-Two Only) including Premium of Rs. 12/- each (Rupees Twelve Only) per share aggregating upto Rs. 24,99,99,992

(Rupees Twenty Four Crore Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Ninety Two Only) pursuant to the proposed BWRL Resolution Plan on a preferential basis for cash to the promoters of the Company and other investors as per the details mentioned below, at a price, which shall not be less than the price arrived at in accordance with the provisions of Chapter V of the ICDR Regulations;

Proposed Allottees	Address	PAN	Category
Murarilal Mittal	2501, RNA Mirage, S K Ahire Marg, Behind Old Passport Office, Worli, Mumbai - 400018, Maharashtra, India.	AHNPM8021D	Promoter
Usha Murarilal Mittal	2501, RNA Mirage, S K Ahire Marg, Behind Old Passport Office, Worli, Mumbai - 400018, Maharashtra, India.	AFTPM4951J	Promoter
Mayank Murarilal Mittal	2501, RNA Mirage, S K Ahire Marg, Behind Old Passport Office, Worli, Mumbai - 400018, Maharashtra, India.	AKWPM8166H	Promoter
Manan Murarilal Mittal	2501, RNA Mirage, S K Ahire Marg, Behind Old Passport Office, Worli, Mumbai - 400018, Maharashtra, India.	BTIPM7647B	Promoter
Sushil Sharda	F-302, Sterling Court, Maheshwari Nagar, Marol MIDC Road, Andheri (East), Mumbai - 400 093, Maharashtra, India.	AKGPS9902H	Non-Promoter
Yash Arora	Flat No. 601, Daya Shreeji Apartment, Gokuldham, Goregaon (East), Mumbai - 400063, Maharashtra, India.	CBSPA7184C	Non-Promoter
Saina Arora	2503, D B Woods, Krishna Vatika, Marg Gokuldham, Opp. Lakshchandi, Goregaon (East), Mumbai - 400063, Maharashtra, India.	BBQPA6184H	Non-Promoter
Alpana Dangi	707, Raheja Centre, Free Press Journal Marg, Nariman Point Mumbai - 400 021, Maharashtra, India	AFNPD2805C	Non-Promoter
Intensive Softshare Private Limited	914, Floor-9, Plot 213, Raheja Chambers, Free Press Journal Marg, Nariman Point Mumbai - 400021, Maharashtra, India.	AAACI7398N	Non-Promoter

RESOLVED FURTHER THAT

- the “**Relevant Date**” for the purpose of determination of the price of the Equity Shares pursuant to the above -mentioned resolution, is determined in accordance with ICDR Regulations, (including relevant provisions relating to the applicable lock-in restriction pertaining to the Equity Shares);
- The Board is hereby authorized to decide and/or modify the terms and conditions of allotment of the Equity Shares, in accordance with the provisions of ICDR Regulations, and/or guidelines of the SEBI.

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted shall rank *pari passu* with the existing Equity Shares of the Company in all respects including dividend.

RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, the names of the Promoters/Investors be recorded for the issue of invitation to subscribe to the Equity Shares and a private placement offer letter in Form No. PAS-4 together with an application form be issued to the Promoters/Investors inviting them to subscribe to the Equity Shares, and consent of the Board is hereby accorded to the issuance of the same to

the Promoters/Investors inviting them to subscribe to the Equity Shares.

RESOLVED FURTHER THAT the monies received by the Company for application of the Equity Shares pursuant to the issue shall be kept by the Company in a separate bank account/ escrow account and shall be utilized by the Company in accordance with Section 42 of the Companies Act, 2013 and shall be deemed to be considered as share application money and the same may be applied towards allotment of securities stated above.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board or any Director(s) or any officer(s) of the Company be and are hereby authorized severally on behalf of the Company, to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary, expedient, usual, proper, incidental or desirable, to sign all documents and settle all questions, difficulties, or doubts that may arise in regard to the issue, offer and allotment of the securities and utilization of the issue proceeds as they may in their absolute discretion deem fit, including but not limited to prescribing the forms of applications, entering and executing all such deeds, documents, agreements or other instruments, to take such actions/directions as they may

consider as being necessary or desirable and to obtain any approval, permissions, sanctions which may be necessary or desirable as they may deem fit, seeking approval of the listing of the Equity Shares issued and allotted pursuant to the making, amending and finalizing all applications for any approvals, consents or permissions as may be considered necessary, proper and expedient, making disclosures to the stock exchange where the securities of the Company are listed, including sub-delegating the above powers to any committee of the Board, any other director or officer of the Company, to the extent deemed necessary and expedient, to form a Committee and /or delegate all or any of their powers to any committee of directors (including any officer(s) of the Company) and are authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deemed necessary or desirable for such purpose in the best interest of the Company to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board be and is hereby authorized to engage / appoint lead managers, brokers, underwriters, guarantors, depositories, custodians, registrars, stabilizing agent, trustees, bankers, and other consultants and advisors to the issue and to remunerate them by way of commission, brokerage, fees and/or other charges and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with such agencies, as may be required, and as permitted by law.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board be and is hereby authorized to delegate any or all of the powers conferred upon it by this resolution to any committee of directors, any other director(s), and/or officer(s) of the Company.

13. Re-pricing of stock options granted under BHARAT WIRE ROPES LIMITED EMPLOYEES STOCK OPTION PLAN-2017 ("BWRL ESOP 2017"):

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

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013, the Memorandum and Articles of Association of the Company read with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, (hereinafter referred to as "SEBI SBEB Regulations") and other applicable Regulations, if any, as amended/notified from time to time, the approval and consent of the Shareholders of the Company ("Shareholders") be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any duly constituted / to be constituted Committees of the Directors including the Nomination and Remuneration Committee of the Board constituted to exercise its powers conferred under this resolution) to modify /re-price the 18,08,500 stock options granted under

the BHARAT WIRE ROPES LIMITED EMPLOYEES STOCK OPTION PLAN-2017 (hereinafter referred to as "BWRL ESOP 2017" or "the Scheme"), exercisable into not more than 18,08,500 fully paid-up equity shares of face value of Rs. 10/- (Rupees Ten) each from Exercise price ranging from Rs. 77.35 to Rs. 111 per option to Rs. 24.40 (Rupees Twenty-Four and Forty Paise) per option and as a consequence thereof and as connected therewith, if need be, to revise/extend the vesting period or the exercise period.

RESOLVED FURTHER THAT the exercise price for the 18,08,500 stock options to be re-priced be considered at Rs. 24.40 (Rupees Twenty-Four and Forty Paise) per option being the closing price on a recognized Stock Exchange on which higher trading volume were transacted on the date immediately prior to the date of the Nomination and Remuneration Committee Meeting held on August 16, 2020.

RESOLVED FURTHER THAT the Board be and is hereby authorized at any time to modify, change, vary, alter, re-price or amend BWRL ESOP 2017 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Shareholders to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board or any Director(s) or any officer(s) of the Company be and are hereby authorized severally on behalf of the Company, , to sign all documents and settle all questions, difficulties, or doubts that may arise, and to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary, expedient, usual, proper, incidental or desirable for such purpose in the best interest of the Company to give effect to the aforesaid resolution.

By Order of the Board of Directors of
Bharat Wire Ropes Limited

Shailesh Rakhasiya
Company Secretary & Compliance Officer
Membership No.: ACS 32244

Place: Mumbai
Date: August 16, 2020

Registered Office:
Plot No 4, MIDC, Chalisgaon Industrial Area,
Village-Khadaki, Tal. - Chalisgaon,
Dist. - Jalgaon – 424101, Maharashtra, India.
CIN: L27200MH1986PLC040468
Website: www.bharatwireropes.com

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting ('AGM') through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf who may or may not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC, physical attendance of Members has been dispensed with. Further as per the MCA Circulars, 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. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Company has appointed M/s. KFin Technologies Private Limited, the Registrar and Share Transfer Agent of the Company ('KFinTech' or 'RTA') to provide VC/OAVM facility and e-voting facility for the AGM.
4. Members whose email addresses are not registered can register the same in the following manner:
 - a. Members holding share(s) in physical mode can register their e-mail address on the KFinTech website at <https://ris.kfintech.com/emailregistration/> by providing the requisite details of their holdings and documents for registering their e-mail address. Post successful registration of the email address, the shareholder would get soft copy of the notice and the procedure for e-voting along with the User ID and Password to enable e-voting for this AGM. In case of any query, shareholder may write to Corporate Registry, KFin Technologies Private Limited, Address: Karvy Selenium Tower B, Plot number 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, Phone No. 040-67161517, Toll free No: + 1800 3454 001 Email: suresh.d@kfintech.com
 - b. Members holding share(s) in electronic mode are requested to register/update their e-mail address with their respective Depository Participants 'DPs' for receiving all communications from the Company electronically.
5. The Notice of AGM along with Annual Report for the financial year 2019-20, is available on the website of the Company at www.bharatwireropes.com and on the website of Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited on the website of KFinTech, www.kfintech.com.
6. The relative Explanatory Statement pursuant to Section 102 of the Act and Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') in respect of Item Nos. 3 to 13 are annexed hereto. Information under Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and as required under the Secretarial Standards on General Meeting, relating to Directors proposed to be appointed / re-appointed is provided in this Notice.
7. Copies of all documents referred to in the notice are available for inspection by the Members through electronic mode. The members may write to the Company at investors@bharatwireropes.com in this regard.
8. The Register of Directors and Key Managerial Personnel and their shareholding and Register of Contracts or Arrangements in which Directors are interested, maintained under Sections 170 and 189 of the Companies Act, 2013, respectively will also be available for inspection by the members and request shall be made as per above.
9. As per Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, KFinTech for assistance in this regard.
10. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their Depository Participants ('DPs') in case the shares are held by them in electronic form and with KFinTech in case the shares are held by them in physical form.
11. **Members are requested to:**
 - a. Communicate with RTA by Quoting their DP ID No. /Client ID No. or folio number at the following address:

M/s. KFin Technologies Private Limited (Formerly, Karvy Fintech Private Limited)

(Unit: Bharat Wire Ropes Limited)

Selenium Tower B, Plots No. 31 & 32, Financial District, Nanakramguda Hyderabad 500032 (Telangana), Toll free no. 18003454001

Email: einward.ris@kfintech.com, Website: www.kfintech.com

- b. Intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, to their DPs in case the shares are held in electronic form and to KFinTech in case the shares are held in physical form.
 - c. Intimate changes, if any, in Bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to KFinTech in case the shares are held in physical form.
12. **Instructions for attending the AGM through VC/ OAVM are as under:**
- a. Members will be provided with a facility to attend the AGM through video conferencing platform provided by KFinTech. Members may access the same at <https://evoting.karvy.com/> by using the remote e-voting credentials. The said credentials will be sent to the registered email ID by KFinTech. The link for AGM will be available after login, where the EVENT and the name of the company can be selected. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice.
 - b. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM-and Members who may like to express their views or ask questions during the AGM may register themselves as Speaker by clicking on the “speaker Registration” after logging at <https://emeetings.kfintech.com> by using e-voting login credentials on or before September 12, 2020 (5:00 p.m. IST). Facility of joining AGM will be closed on expiry of 15 minutes from the schedule time of the AGM. Only those Members who register themselves as Speaker will be allowed to express views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers and time for each speaker depending upon the availability of time for the AGM.
 - c. Members desiring any additional information or having any question or query pertaining to the business to be transacted at the AGM are requested to write to the Company on the email-id compliance@bharatwireropes.com by September 12, 2020.

- d. Facility of joining the AGM through VC / OAVM shall be available for 1000 members on first come first served basis. However, the participation of members holding 2% or more shares, Promoters, and Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.
- e. Members who need technical assistance before or during the AGM, can contact with Mr. Suresh Babu D. of KFinTech at einward.ris@kfintech.com or call at 040- 67162222 or at 1800 345 4001 (Toll Free).
- f. Members are advised to join the Meeting preferably through Laptops with Google Chrome for better experience. Further Members will be required to enable Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.
- g. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches. Infrastructure, connectivity and speed available at the Speaker’s location are essential to ensure smooth interaction.

13. **Instructions for E-Voting:**

- a. In compliance with the provisions of Section 108 of the Act read with Rules made there under and Regulation 44 of the SEBI Listing Regulations, the Company is offering e-voting facility to all Members of the Company. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners (in case of electronic shareholding) maintained by the Depositories as on the cut-off date i.e. September 08, 2020 only shall be entitled to avail the facility of remote e-voting/e-voting at the AGM. KFinTech will be facilitating remote e-voting to enable the Members to cast their votes electronically and shall send the instructions for the same to the Members whose email ids are registered with them.
- b. Members can cast their vote online from 9:00 A.M. (IST) on Saturday, September 12, 2020 upto 5:00 P.M. (IST) on Monday, September 14, 2020. The remote e-voting module shall be disabled by KFinTech for voting thereafter.
- c. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date of September 08, 2020 shall be entitled to

avail either the facility of remote e-voting prior to the AGM or e-voting at the AGM. Persons who are not members as on the cut-off date should treat this notice for information purposes only.

- d. Eligible members who have acquired shares after the dispatch of the Annual Report and holding shares as on the cut-off date i.e. September 08, 2020 may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.
- e. However, Members who are already registered with KFinTech for remote e-voting can use their existing user ID and password for casting their vote. In case they don't remember their password, they can reset their password by using "Forgot User Details/Password" option available on <https://evoting.karvy.com>
- f. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

14. The procedure and instructions for remote e-voting are as follows:

- i. Launch internet browser by typing the URL <https://evoting.karvy.com/>
- ii. Enter the login credentials as sent by KFinTech (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the event i.e. Bharat Wire Ropes Limited.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-

off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option "ABSTAIN". If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. A Member can opt for only one mode of voting i.e. either through remote e-voting or at the AGM. A Member will not be allowed to vote at the meeting if he/she has voted through remote e-voting.

15. The procedure and instructions for remote e-voting are as follows:

- i. The e-Voting window shall be activated upon instructions of the Chairman during the AGM proceedings.
- ii. Members shall click on the "Instapoll" icon on the webpage and follow the instructions to vote on the resolutions.
- iii. Only those shareholders, who are present in the AGM and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

16. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at mihenhalani@gmail.com with a copy marked to einward.ris@kfintech.com and investors@bharatwireropes.com. The scanned image of the above mentioned documents should be in the naming format 'Bharat Wire Ropes Limited – AGM'.

17. The attendance of the Members (members' login) attending the AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
18. In case of joint holders joining the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
19. The Company has appointed **M/s. Mihen Halani & Associates, Practicing Company Secretaries**, to act as the Scrutinizer for conducting the e-voting and remote e-voting process in a fair and transparent manner.
20. The Scrutinizer will submit his report to the Chairman after completion of the scrutiny but not later than 48 hours after the conclusion of the meeting.
21. Based on the report received from the scrutinizer the Company will submit to the stock exchanges i.e. National Stock Exchange of India Limited and BSE Limited, details of the voting results as required under Regulation 44(3) of the LODR.
22. The results declared along with the Scrutinizer's report, will be posted on the website of the Company www.bharatwireropes.com and on the website of KFinTech at [https:// evoting.karvy.com/](https://evoting.karvy.com/) and will be displayed on the Notice Board of the Company at its Registered Office immediately after the declaration of the result by the Chairman or any person authorized by him in writing and will be communicated to the Stock Exchanges.
23. Details of Directors seeking appointment at the forthcoming Annual General Meeting with respect to Item Nos. 2, 5 and 6 in the Notice pursuant to provisions of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standards.

Name of Director	Mr. Sumit Kumar Modak (DIN: 00983527)	Mr. Dinesh Kumar Jain (DIN: 08194706)	Mr. Mayank Mittal (DIN: 00127248)
Date of Birth	May 10, 1953	April 27, 1958	January 29, 1986
Age	67 years	62 years	34 years
Date of the first appointment on the Board	January 01, 2016	July 16, 2020	November 12, 2016
Qualifications	<ul style="list-style-type: none"> B.Tech from IIT Kharagpur, The International Managers program from the Harvard University, USA 	<ul style="list-style-type: none"> Graduate, Fellow Member of Institute of Chartered accountants of India, Executive MBA from S.P. Jain Institute of management. 	<ul style="list-style-type: none"> Master's in Business Administration from Long Island University, Bachelors of Science from State University of New York.
Expertise in specified field	Mr. Sumit Kumar Modak has held the positions of Engineering Head, Manufacturing Head and Chief operating officer at Usha Martin, Ranchi (Wire ropes & Speciality Products Division), Prior to joining your company, he had held the position of technical consultant to Aardhya steel Wire Private Limited. He has a strong knowledge in setting up and running up a large scale rope manufacturing plant at top management level. He also has product development and in-depth technical knowledge of wire rope application at global level. He has an experience of 40 years.	Mr. Dinesh Jain is a Finance & Accounts professional with 35+ years of experience. He recently retired from Welspun India Ltd. as President Finance, concluding his 16-year stint. He has also held various executive-level leadership positions across manufacturing industries & also served as Director at multiple Welspun group companies. His areas of expertise include strategic business planning, bottom line improvements, budgeting & control, working capital management, mergers & acquisitions, government incentive schemes, and direct & indirect taxation.	Mr. Mayank Mittal was the Director – Operations and later as Joint Managing Director at Bharat Wire Ropes Limited and has an overall experience of 8 (Eight) years in the Wire Rope Industry.

Name of Director	Mr. Sumit Kumar Modak (DIN: 00983527)	Mr. Dinesh Kumar Jain (DIN: 08194706)	Mr. Mayank Mittal (DIN: 00127248)
Number of Board Meetings attended in the Financial Year. 2019-20 as on the date of the Notice	Four (4)	NIL	Four (4)
Directorships held in other Listed Companies (Excluding foreign Companies and Section 8 Companies)	NIL	Four (4)	NIL
Memberships/ Chairmanships of committees across all other public companies (Includes only Audit and Shareholders' Relationship Committee)	NIL	Bharat Wire Ropes Limited: 1. Audit Committee. 2. Nomination & Remuneration Committee	NIL
Shareholding in the Company as on March 31, 2020	NIL	300 at a face value of Rs. 10/- each.	1,00,001 at a face value of Rs. 10/- each
Relationship with Directors, Managers and Key Managerial Personnel	None	None	<ul style="list-style-type: none"> Mr. Mayank Mittal is the son of Mr. Murarilal Mittal, Managing Director of the Company. Mr. Mayank Mittal is the nephew of Mr. Sharwan Kumar Mittal, Director – Human Resources and Administration
Terms & Conditions of appointment or re-appointment	As per the resolutions at item No. 2 of the Notice convening Annual General Meeting on September 15, 2020, Mr. Sumit Kumar Modak who retires by rotation in terms of Section 152(6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.	As per the resolutions at item No. 5 of the Notice convening Annual General Meeting on September 15, 2020, read with explanatory statement thereto, Mr. Dinesh Kumar Jain is proposed to be appointed as Independent Director of the Company.	As per the resolutions at item No. 6 of the Notice convening Annual General Meeting on September 15, 2020, 2020 read with explanatory statement thereto, Mr. Mayank Mittal is proposed to be appointed as Joint Managing Director of the Company.

**Statement pursuant to Section 102 (1) of the Companies Act, 2013 to the accompanying
Notice dated August 16, 2020**

Item No. 3:

M/s. Sureka Associates, Chartered Accountants have been the auditors of the Company. In terms of the provisions of Section 139 of the Companies Act, 2013 read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014, an audit firm can be appointed as auditors of a company for not more than two terms. Accordingly, M/s. Sureka Associates, Chartered Accountants, will complete their two terms at the conclusion of this 34th Annual General Meeting (“AGM”) and are not eligible for re-appointment.

Based on the recommendation of Audit Committee, the Board of Directors of the Company in its meeting held on July 16, 2020

had approved the appointment of **M/s. NGS and Co. LLP**, Chartered Accountants, (Firm Registration No. 0119850W) as statutory auditor of the company for term of five years from the conclusion of 34th Annual General Meeting till the conclusion of 39th Annual General Meeting of the company at remuneration plus Goods & Service Tax & re-imbursement of out-of-pocket expenses in connection with the audit as determined by the Board of Directors of the Company in consultation with Audit Committee.

Disclosure pursuant to Regulation 36(5) of the SEBI LODR Regulations, 2015:

Name of the Auditor	M/s. NGS and Co. LLP (Firm Registration No. 0119850W)
Terms of Appointment	For term of five Financial Years from the conclusion of this Annual General Meeting till the Annual General Meeting to be held for the Financial year ended 2025. (i.e. F.Y. 2020-25)
Proposed Fees payable and material change in the fee payable	The Board of Directors of the Company in consultation with the Audit Committee from time to time will decide fees.
Basis of recommendation for appointment	The Audit Committee Meeting held on July 16, 2020 recommended to the Board for appointment of M/s. NGS and Co. LLP as the statutory auditors of the company for the term of five years (F.Y 2020-2025). Further the Board accepted the recommendation of the Audit Committee at its meeting held on July 16, 2020, subject to the approval of the members in this Annual General Meeting.
Brief Credentials of the Auditor	A firm of Chartered Accountants having been established in the year 1982, serving in various industries such as Manufacturing, Retail, Information Technology, Logistics, Banking sector, Pharma, Registrar & Share Transfer Agent, Energy, Education, etc., in the area of Statutory Audit, Tax Audit, GST Audit, VAT Audit, Internal Audit, Concurrent Audit.

M/s. NGS and Co. LLP (Firm Registration No. 0119850W) have confirmed that they meet the criteria for independence, eligibility and qualification as prescribed in Section 141 of the Companies Act, 2013 and do not have any pecuniary interest in the Company or its subsidiary and associate companies, and their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, the Board recommends the passing of the Ordinary Resolution at Item No. 3 of the accompanying Notice for member(s) approval.

None of the Directors, Key Managerial Personnel and their relatives, are in any way, concerned or interested either financially or otherwise in the said resolution.

Item No. 4:

The Board of Directors at its meeting held on July 16, 2020, on the recommendation of the Audit Committee, had approved the appointment and remuneration of **M/s. Dilip M. Bathija**, Cost Accountants (Firm Registration No. 100106), as the Cost Auditor for audit of the cost accounting records of the Company for the financial year 2020 - 21, at a remuneration not exceeding Rs. 1,00,000/- (Rupees One Lakh only) plus Goods & Service Tax & re-imbursement of out-of-pocket expenses in connection with the audit. **M/s. Dilip M. Bathija** has confirmed that they hold a valid certificate of practice under Sub-section (1) of Section 6 of the Cost and Works Accountants Act, 1959. In accordance with the provisions of Section 148 (3) of the Act read with the Companies (Audit and Auditors) Rules,

2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) for the time being in force), the remuneration payable to Cost Auditor has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2020.

None of the Directors, Key Managerial Personnel and their relatives, are in any way, concerned or interested either financially or otherwise in the said resolution.

Item No. 5:

In accordance with the provisions of Sections 149, 152 the Companies Act, 2013 ('Act') read with Schedule IV and other applicable provisions, if any, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), including any modification or amendment thereof, appointment of an Independent Director requires approval of Members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company ('Board') had appointed **Dinesh Kumar Jain (DIN: 06807650)** as an Additional Director (Non-

Executive Independent) of the Company w.e.f. July 16, 2020 to hold the office until the conclusion of this AGM. The Board recommends the Members of the Company to appoint Mr. Dinesh Kumar Jain as an Independent Director of the Company for a term of 5 (five) consecutive years i.e. upto July 15, 2025.

The Company has received a consent and declaration from Mr. Dinesh Kumar Jain confirming that he meets the criteria of independence as prescribed under Section 149(6) the Act, and Listing Regulations and he is not disqualified from being appointed as a Director in terms of Mr. Dinesh Kumar Jain fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. The Board recommends the passing of the Special Resolution at Item No. 5 of the accompanying Notice for member(s) approval.

None of the Directors, Key Managerial Personnel and their relatives, are in any way, concerned or interested either financially or otherwise in the said resolution. Requisite details required to be disclosed in terms of the provisions of SEBI LODR Regulations, 2015 and Secretarial Standard on General Meetings form part of this Notice.

Item No. 6:

On recommendation of Nomination and remuneration Committee, Mr. Mayank Mittal was appointed as an Additional Director (Executive-Promoter) of the Company with effect from August 16, 2020.

In terms of Section 161(1) of the Companies Act, 2013('Act'), Mr. Mayank Mittal holds office as an additional director only till the date of the forthcoming General Meeting and is eligible for appointment. Pursuant to Section 160 of the Companies Act, 2013, notice has been received from a member, signifying its intention to propose the candidature of Mr. Mayank Mittal for the office of the Director.

Mr. Mayank Mittal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a director pursuant to section 152 of the Act.

Mr. Mayank Mittal has an overall experience of 8 years in the Wire Ropes Industry. He has played a major role in leading the achievements of the Company as Director – Operations in the past few years and has regularly managed and supervised various operations including sales, purchases, supply chains, manufacturing, resourcing and distribution. He has devoted his skills on multiple functional areas along with the Divisional Directors and Department Managers. With his strong leadership skills, Mr. Mayank has assisted Executive Manager in planning and executing the Annual Budget and also supported the Human Resources Team of Bharat Wire Ropes Limited. He has also served as Joint Managing Director of the company from 2016 till 2020.

The Board considers it desirable that the Company should continue to avail the services of Mr. Mayank Mittal as Joint Managing Director ('JMD') and accordingly commends the Resolution at Item No.6 for approval by the Members.

On the recommendation of the Nomination and Remuneration Committee, the Board, at its meeting held on August 16, 2020 approved the terms and conditions of Mr. Mayank Mittal's appointment, subject to the approval of the shareholders.

The main terms and conditions relating to the appointment of Mr. Mayank Mittal as the Joint Managing Director are as follows.

1. **Period:** From August 16, 2020 to August 15, 2025

2. **Nature of Duties:**

The JMD shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board of Directors from time to time and separately communicated to him and such powers as may be assigned to him, subject to superintendence, control and directors of the Board in connection with and in the best interests of the business of the company. This includes performing duties as assigned by the Board from time to time for serving various committees of the company.

3. **Remuneration:**

- a) Remuneration: Rs. 77,50,000/- per annum (from August 16,2020), with annual increments effective from 1st April each year, as may be decided by the Board, based on merit and taking into account the Company's performance for the year.
- b) Bonus/Performance linked Incentive, and/ or commission based on certain performance criteria laid down by the Board.

4. **Minimum Remuneration:**

Notwithstanding anything to the contrary herein contained where in any financial year during the tenure of JMD, the Company has no profits are inadequate, the Company will pay him remuneration by way of salary, benefits and perquisites and allowances, bonus/performance linked incentive as approved by the Board and the extent permitted under the Act.

5. The terms and conditions of his appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, irrespective of the limits stipulated under schedule to the Act, or any amendments, made hereinafter in this regard in such manner as may be agreed to between the Board and him, subject to such approvals as may be required.

6. The appointment may be terminated by either party by giving to the other party six months' notice of such termination or the Company paying six months remuneration in lieu thereof subject to the provisions of the Companies Act, 2013.
7. The employment of the JMD may be terminated by the Company by giving a prior Notice or payment in lieu of notice:
 - a) If the JMD is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the company or any subsidiary or Joint Venture Company or Associated Company to which he, required by the Agreement to render services; or
 - b) In the event of any serious repeated or continuing breach (after prior warning) or non-observance by him of any of the stipulations contained in the agreement to be executed between the Company and him; or
 - c) In the event the Board expresses its loss of confidence in him.
8. If and when the agreement expires or is terminated for any reason whatsoever, Mr. Mayank Mittal will cease to be the JMD and also ceases to be a director, if at any time, he ceases to be Director of the Company for any reason whatsoever, he shall cease to be the JMD and the agreement shall forthwith terminate, if any time, he ceases to be in employment of the Company for any reason whatsoever, he shall cease to be a director and JMD of the Company.

In compliance with the provisions of the Sections 196, 197, 203 and other applicable provisions of the Act read with schedule V to the Act, the approval of the Members is sought for the appointment and terms of remuneration of Mr. Mayank Mittal as JMD as set out above.

Upon approval by the Members, a separate agreement to give effect to the above terms will be executed by and between the Company and Mr. Mayank Mittal.

Except Mr. Mayank Mittal, Mr. Murarilal Mittal and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise, in the resolution set out at Item No. 6.

The Resolution regarding the appointment of the JMD at Item No. 6 is commended for approval by the Members.

Item No. 7:

Your Company generally enters into transaction with related parties as prescribed in the table of resolution

no. 7 in ordinary course of business and at arm's length basis, which would fall in the definition of "Related Parties" under the Companies Act, 2013 ("the Act") and/or the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements).

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

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

Your Company had entered into related transactions falling under the category of material related party transaction requiring shareholders' approval. Further, your Company may have to enter into similar material related party transactions in future requiring shareholders' approval, the framework of which has been recommended by the Audit Committee and approved by the Board of Directors of the Company in the text of the resolution proposed in the Notice. All the material related party transactions entered/ to be entered into by the Company (for which members approval is being sought) are/would be on arm's length basis and in the ordinary course of business and approval of the Audit Committee / Board is obtained/would be obtained, wherever required.

Information required to be given in the explanatory statement pursuant to Rule 15 of Rules forms part of the resolution. Shareholders' approval by way of an Ordinary Resolution is therefore sought for the resolution set out in this Notice in terms of Regulation 23 of the Listing Regulations.

Except Mr. Murarilal Mittal and Mr. Mayank Mittal along with their relatives, none of the Directors and/or any Key Managerial Personnel of the Company and/or their relatives may be concerned or interested (financially or otherwise) in the Resolution.

Item No. 8:

In terms of the In-Principle 'Resolution Plan' of the Company as advised by the Lenders and the Lenders' advisor BOB Capital Markets Limited formulated under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 issued

by Reserve Bank of India vide its Circular dated June 07, 2019 (hereinafter referred to as the “RBI Directions”) for restructuring of the debt of the Company, it has to, inter alia, undertake preferential allotment of (a) Compulsory Convertible Preference Shares and (b) Equity Shares to one or more Lenders and Equity Shares to Promoters and Investors. In view of the same and to meet to the future requirements of the Company, it has been felt necessary to increase the authorised share capital of the Company from existing Rs.52,00,00,000/ (Rupees Fifty Two Crores) divided into 5,20,00,000 (Five Crores Twenty Lakhs) Equity shares of Rs 10/- (Rupees Ten Only) to Rs. 65,50,00,000 (Rupees Sixty-Five Crore Fifty Lakhs) divided into 6,54,60,000 (Six Crore Fifty-Four Lakhs Sixty Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each and Rs. 4,00,000 (Rupees Four Lakhs Only) divided into 40,000 (Forty Thousand) 0.01% Compulsorily Convertible Preference Shares of Rs. 10/- (Rupees Ten Only) each, by creation of additional 1,34,60,000 (One Crore Thirty-Four Lakhs Sixty Thousand) Equity shares of Rs. 10/- (Rupees Ten Only) each and 40,000 (Forty Thousand) 0.01% Compulsorily Convertible Preference Shares of Rs. 10/- (Rupees Ten Only).and for that purpose, the Memorandum of Association and Articles of Association of the Company are proposed to be suitably altered as set out at Item No. 8 of the accompanying Notice.

The provisions of the Companies Act, 2013 require the Company to seek the approval of the Members for increase in the Authorised Share Capital and for alteration of Capital Clause of the Memorandum of Association and Articles of Association of the Company and accordingly the Board at its meeting held on August 16, 2020 had approved and hereby recommends the Resolution as set in item no. 8 as a Special Resolution for the approval of the Members.

Copies of documents relevant to this Resolution including a copy of the amended Memorandum of Association and Articles of Association of the Company shall be made available on the website of the Company to facilitate online inspection.

None of the Directors of the Company or key managerial personnel or their respective relatives are, in any way, concerned or interested in the Resolutions except to the extent of their shareholding in the Company, if any.

Item No. 9, 10 and 11:

There are substantial debt servicing obligations without corresponding substantial cash inflows. Given the above situation, it is imperative for the Company to arrive at a viable solution with the support of Lenders which would address the current issues and allow the Company to reach its potential cash flow generation to ensure smooth debt servicing going forward.

In view of the above, as advised by Lenders and the Lenders’ advisor BOB Capital Markets Limited it was decided to adopt a Resolution Plan in line with the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 dated June 07, 2019 (“RBI Directions”) which is subject to the approval of the Lenders

Based on the RBI Directions, the Company proposes to adopt the proposed BWRL Resolution Plan.

The broad contours of the proposed BWRL Resolution Plan are as under:

- Implementation Date – September 30, 2020 or such other date as may be advised in consultation with Lenders.
- Restructuring of outstanding debt facilities of the Company as on March 31, 2019 net off Priority Payments received and interest accrued till the date at which all the condition precedents have been met for implementation of Resolution Plan from March 31, 2019 at 9% p.a. in below parts.
 - A. Rupee Term Loan of upto Rs 170 Crore (out of which upto Rs 25 Crore to be repaid upfront)
 - B. Fund based working capital facility of upto Rs 55 Crores.
 - C. Balance debt to be converted into Compulsorily Convertible Preference Share (CCPS).
- Fresh NFB limit sanction of upto Rs 25 Crore to the Company.
- Upfront Equity infusion of upto Rs 25 Crore by Promoters and Investors in the Company.
- Waiver of all additional interests/ penal interest/ other charges till date.

Note: The broad scheme and the figures stated above may vary at the time of actual implementation of the resolution plan.

Pursuant to the implementation of the proposed BWRL Resolution Plan, it is proposed to consider the issue of CCPS and Equity Shares, on preferential basis as per applicable laws and extant regulations of RBI and SEBI in the manner set out in the Special Resolution at Item No. 9, to be allotted to the Lenders, based on the respective Lenders’ subscription for the CCPS and Equity Shares, respectively of the Company.

In terms of RBI Directions and pursuant to the provisions of Sections 62 and 42 of the Companies Act, 2013 read with rules made thereunder, conversion of debt into CCPS and Equity Shares needs to be approved by the shareholders which is proposed by way of Special Resolution Nos.

9 to 11 of this Notice Furthermore, as per Section 55 of the Companies Act, 2013, the issue of Preference Shares with option to convert such Preference shares into Equity shares, in whole or in part, requires to be approved by a Special Resolution passed at a General Meeting.

Since the proposed Special Resolution at Item No. 9, 10 and 11 would result in issue of CCPS and Equity Shares of the Company to the Lenders on a preferential basis, who may or may not be the members of the Company, in the manner laid down under Section 62 of the Companies Act, 2013, the consent of the shareholders is being sought pursuant to the provisions of Sections 42, 55 and 62 and all other applicable provisions of the Companies Act, 2013, and the rules framed thereunder, ICDR Regulations, and the SEBI LODR Regulations.

Accordingly, the Board at its meeting held on August 16, 2020 had approved and hereby recommends the resolutions as set out in Item No. 9, 10 and 11, to enable the Lenders, in terms of the proposed BWRL Resolution Plan, other relevant Agreements/ Documents, entered/to be entered, and as may be specified under the financing documents already executed or to be executed in respect of the financial assistance availed/to be availed, at their option, to convert the whole or part of their respective outstanding financial debt into CCPS and Equity Shares, of the Company and to permit the Company to issue the said Securities to the Lenders (members as well as non-members) of the Company in the manner and upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the ICDR Regulations, RBI Directions, and other extant regulations and/or guidelines of the SEBI and RBI in this regard, Companies Act, 2013 and/or any other regulations applicable at the time of conversion

The Equity Shares to be issued and Equity Shares as aforesaid arising from conversion of CCPS, would be listed on the Stock Exchanges, subject to obtaining necessary regulatory approvals, if any.

In terms of the requirements of Sections 55 and 62 of the Companies Act, 2013 read with Rule 13(2) of the Companies (Share Capital & Debentures) Rules, 2014 and Chapter VII of the ICDR Regulations the following disclosures are been made:

1. **Objective of the issue**

The object of the preferential issue of the CCPS and Equity Shares is to comply with the proposed BWRL Resolution Plan for the Company. In terms of the proposed BWRL Resolution Plan, the Lenders of the Company have the right to convert part of the unsustainable portion of debt into CCPS and Equity Shares. Hence it is proposed to issue CCPS and Equity Shares, to Lenders on a preferential basis in accordance with the proposed BWRL Resolution

Plan and the applicable laws for the time being in force including the extant guidelines and regulations of RBI and SEBI.

2. **Total No. of Securities to be issued:** Issue of upto 40,000 (Forty Thousand) 0.01% Compulsory Convertible Preference Shares (“CCPS”) of the face value of Rs. 10/- each (Rupees Ten Only) fully paid up at an issue price of upto Rs. 1,00,000 (Rupees One Lakh Only) to one or more Lenders on conversion of loan to the extent of upto Rs. 400 Crores (Rupees Four Hundred Crores Only) and Equity Shares on preferential basis by issuance of 62,57,320 (Sixty-Two Lakhs Fifty Seven Thousand Three Hundred Twenty Only) Equity Shares however not exceeding 63,00,000 (Sixty Three Lakhs) equity shares of the face value of Rs. 10/- each (Rupees Ten Only) at an issue price of Rs. 08.69 (Book Value as on March 31, 2020) (Rupees Eight and Sixty-Nine Paise Only) or at such other price to be determined in accordance with ICDR Regulations read with the RBI Directions (i.e. reference date the date on which the Lenders approve the restructuring plan) and not exceeding 10% of the issued, subscribed and paid-up capital of the Company calculated assuming full issuance of Equity Shares to the Promoters/other investors as envisaged under the proposed BWRL Resolution Plan and as envisaged in the Special Resolution at Item No. 12, under the aforesaid RBI Directions.

3. **Terms of Issue of the Securities, if any.**

- The holders of the CCPS shall be entitled to receive non-cumulative dividends in preference to any dividend on the Equity Shares and any series of preferred stock at the Coupon Rate (i.e. 0.01%) applied on the face value of the Preference Shares.
- No dividends will be paid on the Equity Shares or any series of preferred stock ranking junior to the CCPS, unless all accrued and unpaid dividends (to the extent payable for non-cumulative instruments) on the CCPS have been paid in full.
- The Promoters / associates and/or their assignees shall have call option against the Lenders from 2nd year of Implementation of the Resolution Plan onwards till the 20th year to buy CCPS at a value per CCPS at 12% p.a. discount factor. If the call option is exercised by the Promoters / associates and/or their assignees, then redemption cannot happen from the Company’s cash flow prior to repayment of entire sustainable debt consisting of Term Loan, ECB, and Working Capital and exercising call option for the aggregate number of CCPS issued to the Lenders.

- Lenders shall have put option against Promoters from 13th year of implementation of the proposed BWRL Resolution Plan till the 20th year i.e. the expiry of tenure of CCPS (1/8th each year).
- If the Promoters do not honour put option or after three years from the date of implementation of the proposed BWRL Resolution Plan there is default in payments of sustainable loan, then each of the Lenders shall have right to convert their respective CCPS into Equity Shares of the Company post cure period of 90 (ninety) days in consultation with the Promoters and joint Lenders' meeting.
- Conversion of CCPS in to equity shares of the Company shall be only done post full payment of sustainable debt or on exercise of call/put option
- The conversion price of CCPS shall be determined at the time of conversion as per RBI Directions read with ICDR Regulations and other extant regulations and/or guidelines of the SEBI and RBI in this regard, Companies Act, 2013 and/or any other regulations applicable at the time of conversion.
- In the event the CCPS is transferred by the Lenders to the transferee, the conversion or redemption option, as the case may be, shall be the right of the Company and not in favour of the transferee of the CCPS. However, at any time, when sustainable debt is outstanding, Company's cashflows cannot be utilised to redeem CCPS in full or in part.
- The Lenders will have the option to only convert the CCPS and shall not be entitled for redemption in cash from the Company.
- On exercise of the put option, Promoters will have right to convert the CCPS into equity.
- The voting rights for the aforesaid CCPS shall be as per the provisions of the Companies Act, 2013. However, all equity shares of the Company issued on conversion of the CCPS will have same voting rights as other Equity Shares of the Company.
- The Equity Shares to be allotted and the Equity Shares issued on conversion, pursuant to the proposed Special Resolutions shall rank in all respects pari passu with the existing Equity Shares of the Company including dividend.
- In the event of any liquidation or winding up of the Company, the holders of the CCPS shall be entitled to receive, in preference to the holders

of the Equity Shares and any series of preferred stock in the Company, any accrued but unpaid dividends. Thereafter, the remaining assets shall be distributed to the holders of the Equity Shares, CCPS and other Preference Shares

4. **Change in control:**

There shall be no change in management or control of the Company pursuant to the issue of the Securities as aforesaid.

5. **Pricing of Preferential Issue**

As per the provisions of Regulation 158 (6) the ICDR Regulations, the provisions of Chapter V of the ICDR Regulations will not apply where the preferential issue of specified securities is made to the lenders pursuant to conversion of their debt, as part of a debt restructuring scheme implemented in accordance with the guidelines specified as per RBI Directions issued by the Reserve Bank of India, subject to the following conditions as mentioned in point 11 of the explanatory statement.

Accordingly, 40,000 (Forty Thousand) 0.01% Compulsory Convertible Preference Shares ("CCPS") will be issued at the face value of Rs. 10/- each (Rupees Ten Only) fully paid up at an issue price of upto Rs. 1,00,000 (Rupees One Lakh Only)

Further, the pricing of Equity shares will be as per RBI Directions read with ICDR Regulation which is Rs. 08.69 (Book Value as on March 31, 2020) (Rupees Eight and Sixty-Nine Paise Only) or at such other price determined in accordance with RBI Directions read with ICDR Regulations. (i.e. reference date- the date on which the Lenders approve the restructuring plan)

6. **Reference date and the basis on which the price has been arrived at:**

The Equity Shares proposed to be issued to the Lenders in terms of Resolution No. 11 and Equity Shares arising out of conversion of CCPS, shall be issued at an issue price (including premium, if any) determined in accordance with RBI Directions read with ICDR Regulations, and other extant regulations and/or guidelines of the SEBI and the RBI.

In terms of RBI Directions, the following are the pricing terms:

The issue price of the equity shares shall be the lower of (i) or (ii) below:

- i a. The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the twenty- six weeks preceding the 'reference date' or

- i.b. The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the 'reference date', whichever is lower; and
- ii. Book value: Book value per share to be calculated from the audited balance sheet as on March 31st of the immediate preceding financial year (without considering 'revaluation reserves', if any) adjusted for cash flows and financials post the earlier restructuring, if any. The balance sheet shall not be more than a year old. In case the audited balance sheet as on March 31st of the immediate preceding financial year is not available the total book value of the borrower company shall be reckoned at Re.1.

In the case of conversion of debt into equity, the 'reference date' shall be the date on which the bank approves the restructuring scheme. In the case of conversion of convertible securities into equity, the 'reference date' shall be the date on which the bank approves the conversion of the convertible securities into equities.

7. Intention of promoters / directors / key managerial personnel to subscribe to the offer:

None of the Promoters, Directors and Key Managerial Personnel of the Company intends to subscribe to the proposed preferential offer of CCPS.

8. The name of the proposed allottees, the identities of the persons who are the ultimate beneficial owners of the shares and/ or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control

Name of the Banks/ lenders to whom the CCPS is to be issued	Category	Pre Issue Holding %	Number of CCPS to be allotted*	Number of Equity Shares to be allotted	Post Issue Holding % *
State Bank of India	Non-Promoter (Lender)	Nil	upto 40,000 (Forty Thousand Only) Non-Cumulative, Non-Voting 0.01% Compulsory Convertible Preference Shares	Upto 63,00,000 (Sixty-Three Lakhs) shares	The total numbers of securities to be allotted may vary upon acceptance of the same by the said Lenders on determination of unsustainable loan amount after reconciliation/ confirmation and in pursuant to any applicable laws and regulations, participation of lenders etc.
Bank of Baroda (Bank of Baroda + erstwhile Vijaya Bank Limited)	Non-Promoter (Lender)				
Exim Bank of India	Non-Promoter (Lender)				
Union Bank of India (Union Bank + Corporation Bank) + Union Bank of India (UK) Limited	Non-Promoter (Lender)				
Central Bank of India	Non-Promoter (Lender)				

* The total numbers of equity shares to be allotted on conversion of CCPS shall be determined as per the Resolution Plan read with RBI Directions and ICDR Regulations.

9. **The pre issue and post issue shareholding pattern of the Company:** Please refer point no. 9 of Item No. 12 for the pre and post shareholding pattern of the Company
10. **Proposed time within which the allotment shall be completed**
The allotment of securities will be completed in compliance with Regulation 170 of SEBI ICDR.
11. **Compliance with Regulation 158(6) of the ICDR Regulations and applicable provisions of the Act:**

Sr. No	Conditions specified in Regulation 158(6) of the ICDR Regulations	Status of compliance
1	Guidelines for determining the conversion price have been specified by the Reserve Bank of India in accordance with which the conversion price shall be determined and which shall be in compliance with the applicable provisions of the Companies Act, 2013	Yes, the issue price / conversion price of securities is/ will be determined in accordance with guidelines specified by RBI vide the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 issued on 7th June 2019
2	Conversion price shall be certified by two independent valuers	Yes, the issue price of securities have been certified by two independent valuers

Sr. No	Conditions specified in Regulation 158(6) of the ICDR Regulations	Status of compliance
3	Specified securities so allotted shall be locked-in for a period of one year from the date of their allotment; Provided that for the purpose of transferring the control, the lenders may transfer the specified securities allotted to them before completion of the lock-in period subject to continuation of the lock-in on such securities for the remaining period, with the transferee	Yes, the securities to be allotted shall be subject to lock-in as specified
4	The lock-in of equity shares allotted pursuant to conversion of convertible securities issued on preferential basis shall be reduced to the extent the convertible securities have already been locked-in	Will be complied with at appropriate time
5	The applicable provisions of the Companies Act, 2013 are complied with, including the requirement of a special resolution	The Company has complied with / shall comply with the provisions of the Act to the extent applicable to this preferential issue. Further, in terms of Section 53(2A) of the Act, a company may issue shares at a discount to its Lenders on conversion into shares in pursuance to resolution plan in accordance with RBI directions or regulations specified by the RBI.

It is hereby clarified that in case of any inconsistency between the terms and conditions mentioned in the resolutions and / or the corresponding explanatory statements and the terms and conditions specified in the proposed BWRL Resolution Plan, the terms and conditions contained in the proposed BWRL Resolution Plan shall always prevail to the maximum extent permitted under the applicable laws and practical to implement.

12. **No. of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price**

During the year, no preferential allotment of any securities has been made to any person.

13. **The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.**

The CCPS and Equity Shares are being issued to Lenders in terms of implementation of proposed BWRL Resolution Plan. The issue price is certified by registered valuer and a report to the extent is issued by registered valuer.

14. **Lock in period**

The CCPS and Equity Shares allotted to the Lenders shall be locked-in as per Regulation 167 read with Regulation 164A of the ICDR Regulations and other applicable provisions of the ICDR Regulations

15. **Requirements as to re-computation of price: Not Applicable.**

16. Undertakings

- An undertaking that the issuer shall re-compute the price of the specified securities in terms of the provisions of these regulations where it is required to do so – Not Applicable.
- An undertaking that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked in till the time such amount is paid by the allottees-Not Applicable.

17. Auditor's certificate

The Company has obtained relevant certificate to the effect that proposed issue is in accordance with the requirements of ICDR Regulations, , Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011 ("SEBI Takeover Regulations") and the notifications issued by SEBI in this regard and the said certificate shall be placed at the AGM.

18. The proposed issue of securities shall be exempt from the obligation of open offer as per provided under Regulation 10 (2B) of SEBI Takeover Regulations.

Copies of documents relevant to this Special Resolution including a copy of the amended Memorandum of Association and Articles of Association of the Company shall be made available

on the website of the Company to facilitate online inspection.

The Board of Directors of the Company believes that the proposed preferential issue is in the best interest of the Company and its Members. The Board of Directors, therefore, recommends the Special Resolution nos. 9, 10 and 11 for your approval.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested, financially or otherwise, in the aforesaid Special Resolutions mentioned at Item nos. 9, 10 and 11 of this Notice.

Item No.12:

Proposed Issue of Equity Shares on preferential allotment / private placement basis to Promoters/ investors.

Pursuant to the proposed implementation of the BWRL Resolution Plan as detailed in the explanatory statement above, the Company proposes to issue and allot equity shares of the Company, the promoters/ investors on a preferential basis for cash. The Board of Directors of the Company at its meeting held on August 16, 2020 approved the proposed issue, subject to approval of Shareholders, 1,13,63,636 Equity Shares (One Crore Thirteen Lakhs Sixty-Three Thousand Six Hundred and Thirty-Six Shares) of the face value of Rs. 10/- each (Rupees Ten Only) fully paid up at an issue price of Rs. 22/- (Rupees Twenty Only) (being the price not less than the minimum price determined with reference to the Relevant Date in accordance with Regulation 164 of the ICDR Regulations) aggregating upto Rs. 24,99,99,992 (Rupees Twenty-Four Crore Ninety-Nine Lakhs Ninety-Nine Thousand Nine Hundred and Ninety Two Only). In terms of the requirement of Section 62 of the Companies Act, 2013 read with Rule 13(2) of the Companies (Share Capital & Debentures) Rules, 2014 and Chapter VII of the ICDR Regulations the following disclosures are being made:

1. The Objects of the Issue

To comply with the proposed BWRL RP agreed to by the Company with its Lenders.

2. Total number of shares or other securities to be issued

Upto 1,13,63,636 Equity Shares (One Crore Thirteen Lakhs Sixty-Three Thousand Six Hundred and Thirty-Six Shares only) of the face value of Rs. 10/- each (Rupees Ten Only) fully paid up at an issue price of upto Rs. 22/- (Rupees Twenty Only) (being the price not less than the minimum price determined with reference to the Relevant Date

in accordance with Regulation 164 of the ICDR Regulations) aggregating upto Rs. 24,99,99,992 (Rupees Twenty-Four Crore Ninety-Nine Lakhs Ninety Nine Thousand Nine Hundred and Ninety Two Only)

3. Terms of the issue of Equity Shares, if any

The Equity Shares allotted pursuant to the proposed resolution shall rank in all respects *pari passu* with the existing Equity Shares of the Company including dividend.

4. Relevant date

The relevant date as per Regulation 161 of the ICDR Regulations for the determination of the price per Equity Share pursuant to the preferential allotment is August 16, 2020 ("**Relevant Date**") (i.e. 30 days prior to the date of proposed AGM which is Scheduled on September 15, 2020, to approve the proposed preferential issue).

5. Pricing of Preferential Issue - The price of Equity Shares to be issued is fixed at Rs. 22/- (Rupees Twenty-Two) per Equity Share of Rs. 10/- (Rupees Ten) each in terms of Regulation 164 of the ICDR Regulations.

6. Basis on which the price has been arrived at along with report of the registered valuer

The Company is listed on BSE Limited and National Stock Exchange of India Limited and the equity shares of the Company are frequently traded in accordance with Regulation 164 of the ICDR Regulations. The price of the Equity Shares has been calculated on basis of Regulation 164 of the ICDR Regulations. The issue price is certified by registered valuer and a report to that extent is issued by registered valuer.

7. The proposal of the Promoters, Directors or Key Management Personnel to subscribe to the offer –

Except, the Promoters as mentioned under the table at point 8, none of the other Promoters, Directors, Key Managerial of Personnel the Company intend to subscribe to / acquire Equity Shares on a preferential allotment basis as proposed under the Special Resolution.

8. Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control, maximum number of Equity Shares, proposed to be issued and the percentage of post issue of Equity Shares, that may be held by the proposed allottee:

Name of the Allottees	Category	Pre Issue Holding %	Upto Number of Equity Shares to be allotted	Holding % Post allotment	Beneficial Ownership
Murarilal Mittal	Promoter	1 (0.00%)	12,63,636	12,63,637 (2.02%)	Not Applicable
Usha Murarilal Mittal	Promoter	1 (0.00%)	11,50,000	11,50,001 (1.84%)	
Mayank Murarilal Mittal	Promoter	100001 0.22%)	16,00,000	17,00,001 (2.71%)	
Manan Murarilal Mittal	Promoter	Nil	16,00,000	16,00,000 (2.56%)	
Sushil Sharda	Non-Promoter	4501 (0.01%)	1,00,000	1,04,501 (0.17%)	
Yash Arora	Non-Promoter	Nil	25,000	25,000 (0.04%)	
Saina Arora	Non-Promoter	51259 (0.11%)	25,000	76,259 (0.12%)	
Intensive Softshare Private Limited	Non-Promoter	Nil	50,000	50,000 (0.08%)	D K Surana
Alpana Dangi	Non-Promoter	Nil	55,50,000	55,50,000 (8.86%)	Not Applicable

9. **The pre issue and post issue shareholding pattern of the Company:**

Sr. No.	Category	Pre Issue		Post Issue *	
		Nos.	%	Nos.	%
1	Promoter				
	Individuals	1,00,004	0.22	57,13,640	9.13
	Bodies Corporate	1,79,84,854	40.01	1,79,84,854	28.74
2	Institution / Investors				
	Mutual Fund	-	-	-	-
	Alternate Investment Fund	-	-	-	-
	Foreign Portfolio Investors	5,46,809	1.22	5,46,809	0.87
	Financial Institutions / Banks	-	-	62,57,320	10.00
3	Non-Institution				
	Individuals	1,10,34,022	24.55	1,67,34,022	26.74
	Body Corporate	1,27,35,857	28.33	1,27,85,857	20.43
	NRI	2,77,674	0.62	2,77,674	0.44
	Others	22,73,028	5.06	22,73,028	3.63
Total		4,49,52,248	100.00	6,25,73,204	100.00

No change is envisaged in the management of or control in the Company consequent to the proposed preferential allotment of Equity Shares.

** The total numbers of equity shares to be allotted on conversion of CCPS shall be determined as per the Resolution Plan read with RBI Directions and ICDR Regulations.*

10. **The proposed time within which the preferential issue shall be completed**

The proposed issue and allotment of Equity Shares shall be completed on or before the expiry of 15 (fifteen) days from the date of passing of the Special Resolution by the shareholders granting consent for preferential issue or in the event allotment of Equity Shares would require any approval(s) from any regulatory authority or the central government, within 15 (fifteen) days from the date of such approval(s), as the case may be.

11. **Consequential changes in the voting rights or change in control**

Voting rights will change in tandem with the shareholding pattern. Further, there shall not be any change in the management or control of the Company consequent to the proposed preferential allotment of Equity Shares.

12. **The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price**

The Company has not made any preferential issue/ allotment during the last one year.

13. **The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.**

Not Applicable.

14. Lock in period

The Equity share proposed to be allotted to Promoters/ Promoter Group and the Investors pursuant to the proposed Special Resolution shall be subject to lock-in as provided under Regulation 167 of the ICDR Regulations.

15. Auditors' Certificate

The Company has obtained relevant certificate to the effect that proposed issue is in accordance with the requirements of ICDR Regulations, SEBI Takeover Regulations and the notifications issued by SEBI in this regard and the said certificate shall be placed at the AGM.

16. Undertakings

- i. **An undertaking that the issuer shall re-compute the price of the specified securities in terms of the provisions of these regulations where it is required to do so –Not Applicable.**
- ii. **An undertaking that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked in till the time such amount is paid by the allottees-Not Applicable.**

Copies of documents relevant to this Resolution shall be made available on the website of the Company to facilitate online inspection.

The Board of Directors of the Company believes that the proposed preferential issue is in the best interest of the Company and its Members. The Board of Directors, therefore, recommends the resolution no. 12 for your approval.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested, financially or otherwise, in the aforesaid special resolutions mentioned at Item no. 12 of this Notice, except to the extent of their shareholding in the Company as well as being the allottees in terms of the proposed preferential allotment of Equity Shares.

ITEM No-13

The Company had granted stock options under BHARAT WIRE ROPES LIMITED EMPLOYEES STOCK OPTION PLAN-2017 (BWRL ESOP 2017) on various occasions in different tranches at an exercise price ranging from Rs. 77.35 to Rs. 111 per option to identified eligible employees for the benefit of eligible permanent employees, Directors, employee-directors of the Company, and its present and future Indian/foreign subsidiary companies, (excluding the Promoter Directors and Independent Directors) and

such other persons as may be permitted from time to time, under prevailing laws, rules and regulations and/or amendments thereto from time to time.

However, over the period the price of shares of the Company has fallen below the exercise price, rendering the options unattractive to such employees who were granted stock options. Accordingly, The Nomination and Remuneration Committee at its meeting held on August 16, 2020 had approved and proposed to reprice these 18,08,500 stock options already granted at exercise price ranging from Rs. 77.35 to Rs. 111 per option to Rs. 24.40 (Rupees Twenty Four and Forty Paise Only) per option being the closing market price of shares on a recognized Stock Exchange on which higher trading volume were transacted on the date immediately prior to the date of the Nomination and Remuneration Committee Meeting, in which the proposal for re-pricing was considered. As per clause 25 of the said scheme and as per Regulation 7 of the SEBI (Share Based Employee Benefits) Regulations, 2014, the Company can vary the terms of the schemes offered and may reprice the options granted, subject to the approval of the shareholders by way of special resolution in the general meeting.

The Board of Directors hereby recommends the Special Resolutions as set out at Item No. 13 of the Notice for approval of the Members.

None of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, may be deemed to be concerned or interested, financially or otherwise, in the resolution set out at item No. 13 of the Notice except to the extent of stock options granted to some of them under the aforesaid ESOP scheme and to the extent of their shareholding in the Company.

By Order of the Board of Directors of
Bharat Wire Ropes Limited

Shailesh Rakhasiya
Company Secretary & Compliance Officer
Membership No.: ACS 32244

Place: Mumbai
Date: August 16, 2020

Registered Office:

Plot No 4, MIDC, Chalisgaon Industrial Area,
Village-Khadaki, Tal. - Chalisgaon,
Dist. - Jalgaon – 424101, Maharashtra, India.
CIN: L27200MH1986PLC040468
Website: www.bharatwireropes.com

Form No. SH-13 Nomination Form

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

To,

The Company Secretary,
Bharat Wire Ropes Limited,
Plot No. 4, MIDC, Chalisgaon Industrial Area,
Village - Khadki, Taluka - Chalisgaon,
District - Jalgaon - 424 101, Maharashtra, India.

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

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

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

2. PARTICULARS OF NOMINEE/S —

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

3. IN CASE NOMINEE IS A MINOR –

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

Name: _____

Address: _____

Name of the Security Holder(s): _____

Signatures: Witness with name and address: _____

Instructions:

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



Bharat Wire Ropes Limited

CIN: L27200MH1986PLC040468

Registered Office: Plot No. 4, MIDC, Chalisgaon Industrial Area, Village - Khadki, Taluka - Chalisgaon, District - Jalgaon - 424 101, Maharashtra, India.

Corporate Office: 701, A-Wing, Trade World Building, S B Marg, Kamala Mills Compound, Lower Parel (West), Mumbai – 400 013, Maharashtra, India.

Tel: +91-022 6682 4600; Fax: +91-022 6682 4666

Website: www.bharatwireropes.com , Email: investors@bharatwireropes.com

E-mail Registration-Cum-Consent Form

To,

The Company Secretary,

Bharat Wire Ropes Limited,

Plot No. 4, MIDC, Chalisgaon Industrial Area,

Village - Khadki, Taluka - Chalisgaon,

District - Jalgaon - 424 101, Maharashtra, India

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

Folio No: _____ DP-ID: _____ Client ID: _____

Name of the Registered Holder (1st): _____

Name of the joint holder(s) (2nd): _____ (3rd): _____

Registered Address: _____

_____ PIN: _____

Mobile Nos. (to be registered): _____

Email id (to be registered): _____

Signature of the Shareholder(s)*

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

BHARAT WIRE ROPES LTD.



Registered Office & Factory:

Plot No.4, MIDC, Chalisgaon, Village Khadki – BK, Taluka Chalisgaon,
District Jalgaon - 424 101, Maharashtra, India

Corporate Office:

A-701, Trade World, Kamla City, Senapati Bapat Marg,
Lower Parel (West), Mumbai-400013. India

Tel.: +91-22-66824600 • **Fax No.:** +91-22-66824666

CIN: L27200MH1986PLC040468

