TRL KROSAKI

KROSAKI
KROSAKI GROUP

63RD ANNUAL REPORT 2021-2022

Awards & Accolades

National Safety Awards

ICC Environment Excellence Award

Pollution Control Appreciation Award

Greentech Environment Award

Kalinga Environment Excellence Award

CII EHS Excellence Award

Sixty-third Annual Report 2021 - 22

Contents

Board of Directors

(As on 1st August, 2022)

Mr. H. M. Nerurkar	Chairman
Mr. P. B. Panda	Managing Director
Mr. Hisatake Okumara	
Mr. Sachihiko Asaya	
Mr. Jumpei Konishi	
Ms. Shuang Zhu	
Mr. Anirban Dasgupta	
Mr. P. V. Bhide	Independent Director
Mr. R. Ranganath	Independent Director

Senior Executives

Mr. M. V. Rao	Executive Vice President (Finance) & CFO
Mr. S. Sengupta	Executive Vice President (Sales, Marketing & Customer Care)
Mr. H. Sehgal	Executive Vice President (Operations)
Dr. Tarapada Dash	Executive Vice President (Corporate Services)
Mr. P. K. Naik	Executive Vice President (Procurement & Sourcing)
Mr. Asim Kumar Meher	Company Secretary

Registered Office

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

CIN

U26921OR1958PLC000349

Principal Bankers

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

Auditors

BSR & Co. LLP
Chartered Accountants
Kolkata

Secretarial Auditors

Ashok Mishra & Associates
Company Secretaries
Bhubaneswar

Cost Auditors

JUP & Associates
Cost Accountants
Kolkata

NOTICE

Notice is hereby given that the Sixty-third Annual General Meeting of the members of TRL Krosaki Refractories Limited will be held on Monday, 19th September 2022, at 16:00 PM IST at the Registered Office at Belpahar, Dist: Jharsuguda, Odisha 768218, to transact the following business:

ORDINARY BUSINESS:

Item No. 1 - Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2022 and the Reports of the Board of Directors and the Auditors thereon; and

Item No. 2 - Adoption of Audited Consolidated Financial Statements

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March 2022 and the Report of the Auditors thereon.

Item No. 3 - Declaration of Dividend

To declare dividend of ₹ 15 per equity share of ₹ 10 each for the Financial Year 2021-22.

Item No. 4 - Appointment of a Director

To appoint a director in place of Mr. Anirban Dasgupta (DIN: 06832261), who retires by rotation and, being eligible, seeks re-appointment.

Item No. 5 - Re-appointment of Statutory Auditors

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

'RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with rules made there under as amended from time to time and pursuant to the recommendation of the Audit Committee, M/s BSR & Co. LLP, Chartered Accountants (Firm's Registration No.101248W/W-100022) retiring auditors of the Company be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of Sixty Third (63rd) Annual General Meeting until the conclusion of the Sixty Eighth (68th) Annual General Meeting of the Company as per the provisions of the Companies Act, 2013, at such remuneration plus Goods and Service Tax, out-of-pocket expenses, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.

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

SPECIAL BUSINESS:

Item No. 6 - Retirement of Director

"RESOLVED THAT Ms. Shuang Zhu (DIN: 08745245), who retires by rotation in this Annual General Meeting, be not re-appointed on the Board."

'RESOLVED FURTHER THAT the vacancy so caused by the non re-appointment of Ms. Shuang Zhu be not filled'.

Item No. 7 - Ratification of Remuneration of Cost Auditors

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any amendment, modification or variation thereof, the Company hereby ratifies the remuneration of ₹ 1,25,000/- plus out-of-pocket expenses incurred in connection with the audit payable to JUP & Associates, Cost Accountants (Firm Registration Number - 000435) who have been appointed by the Board of Directors at its meeting held on 28th July, 2021 as the Cost Auditors of the Company, to conduct the audit of the cost records of the company as prescribed under the Companies (Cost Records and Audit) Rules 2014, for the Financial Year ending March 31, 2022.

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

Item No. 8 - Commission to Non-Executive Directors of the Company

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

"RESOLVED THAT pursuant to Section 197 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules made thereunder, as amended from time to time, a sum not exceeding 1% of the net profits of the Company per annum, calculated in accordance with the provisions of Section 198 of the Act, be paid and distributed amongst the Directors of the Company or some or any of them (other than the Managing Director and Whole-time Directors) in such amounts or proportions and in such manner and in all respects as may be decided by the Board of Directors and such payments shall be made with respect to the profits of the Company for each year, for a period of five years, commencing from 1st April, 2022."

NOTES:

(a) The Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013, as amended ('Act') relating to Item No. 5 and Special Business mentioned through Item Nos. 6 to 8 form part of this Notice. A brief profile of the Director(s) who are being proposed to be appointed/re-appointed as required pursuant to the Secretarial Standards is annexed hereto.

(b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

(c) Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

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

(e) Members/proxies/authorised representatives are requested to bring the duly filled Attendance Slip enclosed with to attend the Meeting.

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

(g) The register of Members and Share Transfer Books will remain closed from Thursday, 15th September, 2022 to Monday, 19th September, 2022, both days inclusive.

(h) If dividend on equity shares as recommended by the Board of Directors is approved at the meeting, payment of such dividend will be made on and from September 23, 2022 as under:

- In respect of Equity Shares held in physical form, to all those members whose name appear in the Company's Register of Members as on Wednesday, 14th September, 2022 after giving effect to valid requests for transfers, transmission or transposition lodged with the Company on or before the end of business hours on Wednesday, 14th September, 2022.
- In respect of Equity Shares held in electronic form, to all beneficial owners of shares as at the end of business hours on Wednesday, 14th September, 2022, as per details furnished by the Depositories for this purpose.

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

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

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

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

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

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

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

(j) A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to asim.meher@trlkrosaki.com by 11:59 p.m. (IST) on Wednesday, 14th September, 2022. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to asim.meher@trlkrosaki.com . The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. (IST) on Wednesday, 14th September, 2022.

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

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

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

(n) A detailed Know Your Shareholder (KYS) form is annexed with the Annual Report. Members are requested to provide updated details as per the form attached and send it to the registered address of the Company or scan and mail the same to asim.meher@trlkrosaki.com .

(o) To support the 'Green Initiative' and for receiving all communication (including Annual Report) from the Company electronically, members who have not yet registered their email address are requested to register the same with their Depository Participants (DPs)/Company in case the shares are held in electronic form or in case the shares are held in physical form may follow the instruction as mentioned in point no (n).

(p) Pursuant to Section 72 of the Companies Act, 2013 read with Rules framed thereunder, shareholders are entitled to make nomination in respect of shares held by them. Shareholders holding shares in physical form and desirous of making nomination(s) are requested to send their nomination(s) in the prescribed Form No. SH-13 duly filled-in to the Company at its registered office. A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the holder of shares who has made the nomination, by giving a notice of such cancellation or variation, to the Company in Form No SH-14. Further, shareholders holding shares in electronic form are requested to contact their respective Depository Participant, with whom they are maintaining their demat account, for availing this facility.

(q) During the Annual General Meeting, members may access copy of the Notice along with the Annual Report on the Company's website at https://www.trlkrosaki.com/.

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

By Order of the Board of Directors
Sd/-
Asim Kumar Meher
Company Secretary
(ACS : 42427)

Date : August 01, 2022
Place : Kolkata

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

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

The following Explanatory Statements set out all material facts relating to Item No. 5 and special business Item Nos. 6 - 8 mentioned in the accompanying Notice.

Item No. 5

As per Section 139(2) of the Companies Act, 2013, read with Rule 4 of the Companies (Audit and Auditors) Rule, 2014, the Company can appoint an audit firm as auditors for not more than two terms of five consecutive years. M/s BSR & Co. LLP, Chartered Accountants (Firm's Registration No.101248W/W-100022) were appointed as Statutory Auditors of the Company at the 58th AGM held on 28th June, 2017 for a period of five years till the conclusion of 63rd AGM to be held in 2022. M/s BSR & Co. LLP are eligible for reappointment in the ensuing AGM as per the provisions of Companies Act, 2013.

In compliance with Section 139(2) of the Companies Act, 2013, the Board on the recommendation of Audit Committee, proposed to re-appoint M/s BSR & Co. LLP as the statutory auditors of the Company for five years to hold office from conclusion of the 63rd AGM, till the conclusion of 68th AGM to be held in 2027. They have furnished a certificate regarding their consent and eligibility to act as the Statutory Auditors of the Company.

Item No. 6

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Ms. Shuang Zhu (DIN: 08745245) retires by rotation at the 63rd Annual General Meeting. Based on the recommendation of the Nomination and Remuneration Committee, the Board felt that the services of Ms. Zhu would no longer be required by the Company and, therefore, decided not to consider her candidature for the re-appointment at the 63rd Annual General Meeting. The Board also decided that vacancy so caused by the retirement of Ms. Zhu be not filled in the said meeting as per the provisions of the Section 152 (7)(a) of the Companies Act, 2013.

Board recommends the resolutions set forth in Item No. 6 for the approval of the Members.

None of the Director (s) and Key Managerial Personnel of the Company or their respective relatives, except Ms. Shuang Zhu, are concerned or interested in the Resolution mentioned at Item No. 6 of the Notice.

Item No. 7

The Company is required under Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time ("Cost Audit Rules"), to have the audit of its cost records for products covered under the Cost Audit Rules conducted by a Cost Accountant in Practice. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment and remuneration of JUP & Associates, Cost Accountants (Firm's Registration Number 000435) as the Cost Auditors for Financial Year 2021-22. In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2022.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 7 of the Notice.

Item No. 8

Section 197 of the Companies Act, 2013 permits payment of remuneration to Non-Executive Directors of a Company by way of commission, if the Company authorises such payment by way of a resolution of members.

The members of the Company at the 58th Annual General Meeting held on 28th June, 2017, approved the remuneration payable to Non-Executive Directors of the Company by way of commission not exceeding one per cent of the net profits of the Company for each year for a period of five years commencing from 1st April, 2017 and ending with 31st March, 2022. Since the validity of the earlier resolution passed by the shareholders expires at the end of the financial year 2021-22, approval is sought from Shareholders for renewal of the resolution for a further period of 5 years commencing from 1st April, 2022.

Considering the rich experience and expertise brought to the Board by the Non-Executive Directors, it is proposed that, remuneration not exceeding one per cent of the net profits of the Company calculated in accordance with provisions of the Act, be continued to be paid and distributed amongst the Non-Executive Directors of the Company in accordance with the recommendations of the Nomination and Remuneration Committee of the Board and approval by the Board of Directors of the Company, for a further period of five years commencing from 1st April 2022. Such payment will be in addition to the sitting fees for attending Board/Committee meetings.

Details of commission and sitting fees paid to Non-Executive Directors during the Financial Year 2021-22 is provided in the annexure to the Directors' Report and the Corporate Governance Report.

None of the Directors, Key Managerial Personnel or their respective relatives, except all of the Non-Executive Directors of the Company to whom the resolution relates are concerned or interested in the Resolution mentioned at Item No. 8 of the notice.

The Board recommends the resolution set forth in Item No. 8 for the approval of the Members.

By Order of the Board of Directors
Sd/-
Asim Kumar Meher
Company Secretary
(ACS : 42427)

Date : August 01, 2022
Place : Kolkata

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

Annexure to the Notice

Details of the Director seeking appointment/re-appointment in the Sixty Third Annual General Meeting pursuant to clause 1.2.5 of Secretarial Standard - 2 on General Meetings as laid down by the Institute of Company Secretaries of India.

Name of Director	**Mr. Anirban Dasgupta (DIN: 06832261)**
Date of Birth	29.04.1965
Date of the first appointment	28.07.2020
Expertise in specific Functional Areas	Metallurgy
Qualifications	Metallurgy, IIT, BHU
Number of Board meetings attended during 2021-22	3
Directorship held in other public companies (excluding Foreign Companies)	3
Membership / Chairmanship of Committees of other Public Companies (includes only Audit Committees and Stakeholder Relationship Committee)	1
Shareholding in the Company	Nil

Note : There is no inter se relationship between above mentioned director, other directors and Key Managerial Personnel of the Company.

Highlights

(₹ Crores)

	2021-22	2020-21	2019-20	2018-19	2017-18
Turnover	**1,923.97**	1,429.73	1,653.76	1,594.29	1,194.90
Profit Before Interest, Depreciation & Taxes	**183.10**	90.62	174.76	177.54	106.79
Depreciation	**34.31**	28.94	26.83	31.86	20.51
Profit before Taxes	**136.51**	57.14	131.38	129.96	72.46
Profit After Taxes	**102.81**	44.48	100.69	84.72	47.03
Shareholders' Funds	**585.91**	497.56	485.95	418.33	353.00
Borrowings	**307.52**	209.25	233.17	219.01	162.63
Dividends	**31.35**	13.38	30.31	30.74	16.63
Shareholders' Funds- per Share (₹)	**280**	238	233	200	169
Dividend - (%)	**150**	64	145	122	66
Employee - Numbers	**1,395**	1,427	1,458	1,435	1,332

DIRECTORS' REPORT

To
The Members,

The Board of Directors hereby presents the 63rd Annual Report along with the Audited Financial Statements for the year ended 31st March, 2022.

Financial Results

(₹ Crores)

	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Gross Revenue	1923.97	1429.73	1923.97	1427.67
Less Total Expenses	1740.87	1339.11	1740.87	1339.11
Profit before finance cost, depreciation, taxes and other comprehensive income	183.10	90.62	183.10	88.56
Less Finance Cost	15.92	12.42	15.92	12.42
Less Depreciation	34.31	28.94	34.31	28.94
Add share of profit of Associates	—	—	0.61	(8.54)
Exceptional Item	3.64	7.88	3.64	7.88
Profit before taxes	136.51	57.14	137.12	46.54
Less provision for current taxation	32.53	10.82	32.53	10.82
Less provision for deferred taxation	1.17	1.84	0.85	0.01
Profit after taxes	102.81	44.48	103.74	35.71
Other comprehensive income	(1.06)	(3.18)	(1.06)	(3.18)
Total comprehensive income	101.75	41.30	102.68	32.53
Add Balance brought forward from earlier year	257.11	246.12	263.54	261.32
Balance:	358.86	287.42	366.22	293.85
Less				
Dividend Paid for the previous year	13.38	30.31	13.38	30.31
Balance carried forward	345.48	257.11	352.84	263.54

Dividend

Your directors are pleased to recommend a dividend of ₹ 15 per share, i.e. 150% for the year ended 31st March, 2022, for approval by the shareholders at the forthcoming Annual General Meeting.

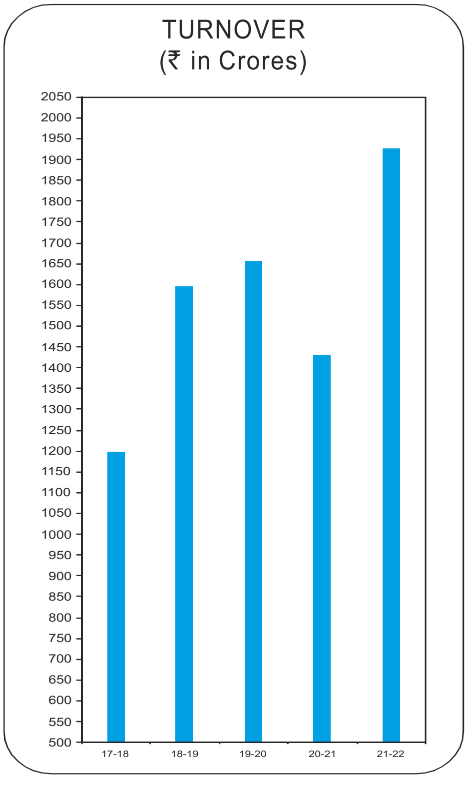
Transfer to Reserves

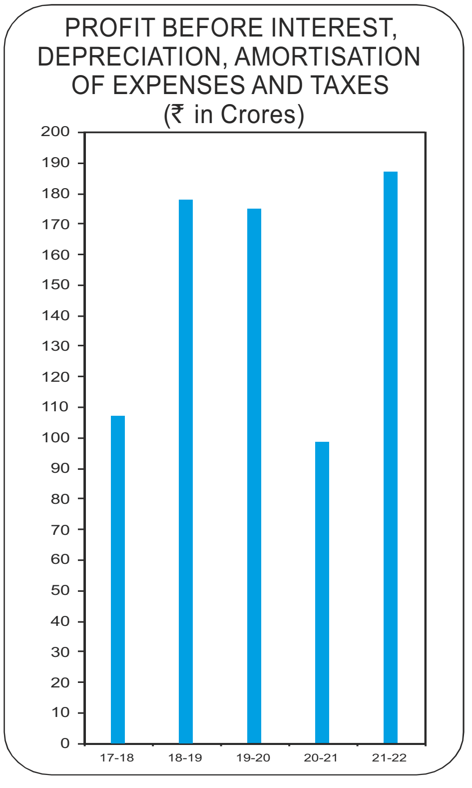
The Board of Directors have decided to retain the entire amount of profit in the profit and loss account.

Economic Environment

The global economy entered the year 2022 in a weaker position than previously expected. As the new Omicron COVID-19 variant spreaded, countries reimposed mobility restrictions. In addition, the war between Russia and Ukraine, added to the economic strains already triggered by the pandemic. The consequences of Russia's war on Ukraine have already shaken not just those two nations but also the region and the world. Russia and Ukraine are major commodities producers, and disruptions have caused global prices to soar, especially for oil and natural gas. Rising energy prices and supply disruptions have resulted in higher and more broad-based inflation than anticipated. Economic damage from the conflict will contribute to a significant slowdown in global growth in 2022. The invasion has contributed to economic fragmentation as a significant number of countries sever commercial ties with Russia derailing risks due to post-pandemic recovery. As per International Monetary Fund (IMF) estimation, Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than in the January World Economic Outlook projection. Beyond 2023, global growth is estimated to decline about 3.3 percent over the medium term. Elevated inflation is expected to persist for longer period than envisioned earlier, with ongoing supply chain disruptions and high energy prices continuing in 2022.

Food prices have jumped with wheat, for which Ukraine and Russia make up 30 percent of global exports. The raise in the prices has affected low-income countries and they are the biggest sufferers. The impact of war, apart from suffering and humanitarian crisis, the entire global economy will feel the effects of slower growth and faster inflation. Interest rates are expected to rise as central banks tighten policy, exerting pressure on emerging market and developing economies. Moreover, many countries have limited fiscal policy space to cushion the impact of the war on their economies. As per United Nations estimate, the global economic growth is expected to be down by 1% on account of war. Inflation is on the rise and developing countries already weighed down by a $1 trillion debt burden to pay back to creditors. While some effects due to war may not fully come into focus for many years, there are already clear signs of jump in costs for essential commodities. This will make it harder for policymakers in some countries to strike the delicate balance between containing inflation and supporting the economic recovery from the pandemic.





Economic Outlook

The transmission of the war shock will vary across countries, depending on trade and financial linkages and exposure to commodity price increases. A deep contraction is projected for Russia due to sanctions and European countries' decisions to scale back energy imports. Current sanctions imposed with the aim of pressing Russia to end the war are already cutting financial and trade linkages between Russia and other countries, with far-reaching repercussions. As per IMF estimation in April 2022, Emerging and Developing Europe, including Russia and Ukraine, to see GDP contract by approximately 2.9 percent in 2022, before expanding by 1.3 percent in 2023. Higher global prices translate into lower output and higher inflation in most of the European countries. Supply chain disruptions have also hurt industries including the automobile sector. Consequently, euro area GDP growth in 2022 is revised down to 2.8 percent (1.1 percentage points lower than January estimate), with the biggest downgrades in economies such as Germany and Italy with relatively large manufacturing sectors and greater dependence on energy imports from Russia. With a few exceptions, it is expected that employment and output will typically remain below pre-pandemic trends through 2026.

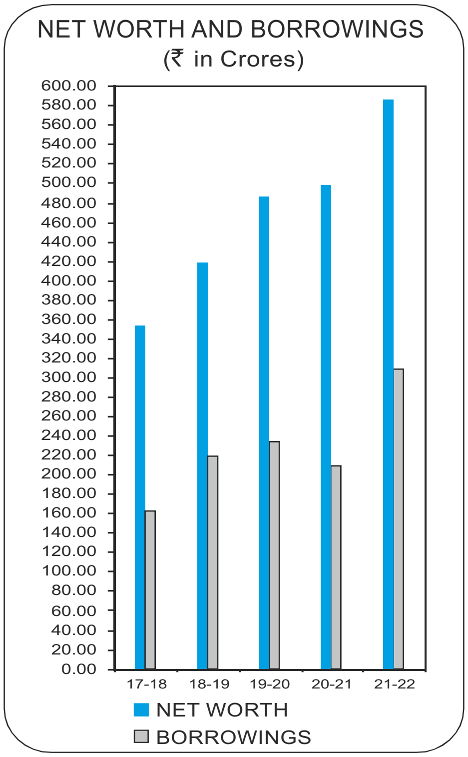
Inflation is expected to remain elevated for longer than previous forecast by IMF, driven by war-induced commodity price increases. For 2022, inflation is projected at 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies-1.8 and 2.8 percentage points higher than projected in January by IMF. Worsening supply demand imbalances and further increases in commodity prices could lead to persistently high inflation.

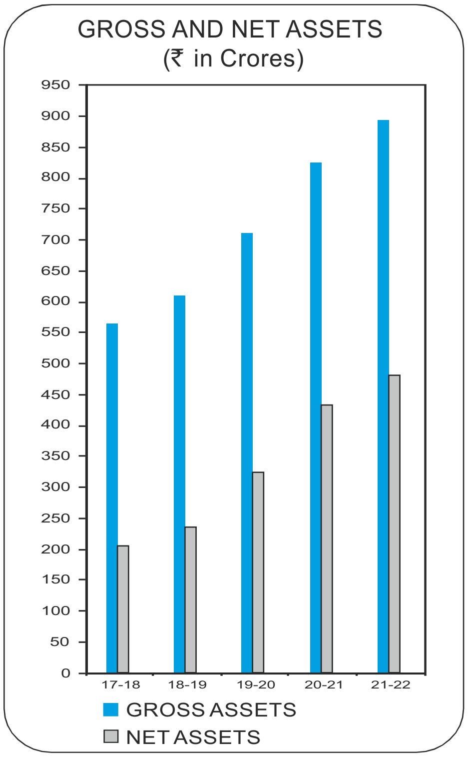
The war between Ukraine and Russia is posing many threats. Continuing of war for a long term may fundamentally alter the global economic and geopolitical order. This may also result energy trade shift, supply chains reconfigure, payment networks fragment, and countries rethink reserve currency holdings. Increased geopolitical tensions further raise risks of economic fragmentation.

India's economy is poised for a rebound after enduring a second wave of COVID-19 infections this year. India's broad range of fiscal, monetary and health responses to the crisis supported its recovery and, along with economic reforms, are helping to mitigate a longer-lasting adverse impact of the crisis. Though policy steps helped mitigate the pandemic, it's still likely to result in greater poverty and inequality.

Although India has started recovering from pandemic, the war in Ukraine is expected to negatively impact India's economy in several ways, which are different from those impacting the Indian economy during COVID-19. It may lead to higher inflation and current account deficit. However, the impact on the current account may partially offset by favorable movements in prices of commodities that India exports. The negative impact of the war in Ukraine on the US, the EU and Chinese economies could dampen external demand for India's exports, while supply chain disruptions could negatively impact India's import volumes and prices. In summary, there is a great deal of uncertainty around the outlook for India.

Entire world needs to put multilateral efforts to respond to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change, and end the pandemic remain essential.





Performance

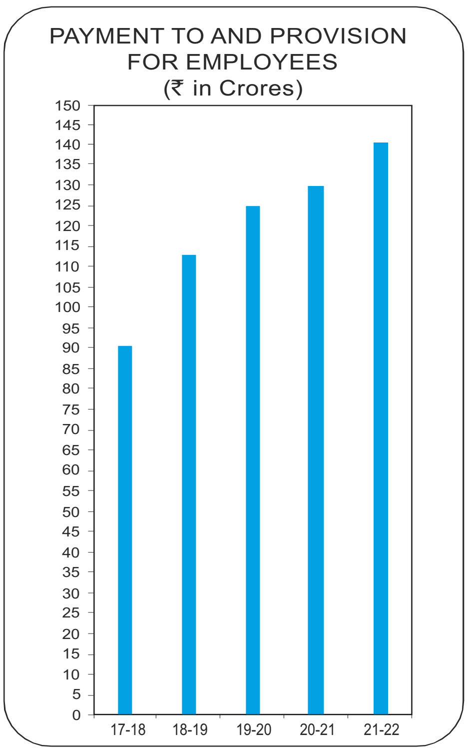
The year 2021-22 has been a year of records for your Company, posting best ever performance in the history of the Company. The Company has achieved highest ever revenue, Profit Before and After Taxes. On stand-alone basis, the revenue of the Company increased to Rs. 1924 Crores against Rs. 1424 Crores in the previous year; an increase of 35%. The export revenue of the Company increased to Rs. 312 Crores from Rs. 241 Crores in the previous year; an increase of 29 %. On standalone basis, gross production during the year was 240443 MT against 210194 MT in the previous year; an increase of 14% and sales volume was 313077 MT against 282155 MT in the previous year; an increase of 11%.

Despite uncertainty in the availability of imported raw materials and exorbitant increase in ocean freight and increase in fuel prices, Profit Before Tax and other Comprehensive Income for the year was Rs. 133 Crores against Rs. 49 Crores in the previous year; an increase of 171%.

Higher selling prices, better product mix, improved operational efficiencies, enhanced product performance and improved technical services largely contributed to the improved performance of the Company.

Credit Ratings

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



Business Strategy

The demand for Steel in India is continuously increasing and it is expected that India will be one of the few countries with continued good demand for steel in the medium term. In line with the increase in demand for steel, refractories demand will also increase. Consolidation of steel industry is helping the Company to increase its sales by focusing on few customers whose buying decisions are governed by superior products with good performance and not by price alone. The benefit of multi-pronged growth strategy, increasing market share of focused products, increasing revenues from international business, enhanced product performance, improved technical services have reflected in the improved business performance. Despite stoppage of customer plants in Q1 of the year due to lack of oxygen, the Company could be able to increase the revenue by 35% over the previous year.

The strategy of the Company to reach out to small customers through stockiest route is yielding results and the revenue from stockiest sales has increased by 58 %. Revenue from identified Focus Products has increased by 38%. Revenue from supply of product with application of material in the customers' plants is increasing continuously and during the year it has increased by 47%. Improved technical services at customer's site and improved product performance has helped in maintaining market share of 70% in Dolomite refractories. During the year, the Company has achieved delivery compliance of 100% for all its products.

The Company's capital investments made to increase the capacity of focused products will help in meeting the increased demand. In March 2022, the Company has commenced its commercial production of Alumina Graphite (AG) refractories from its green field manufacturing facility put up with the technology from Krosaki Harima Corporation, Japan. AG refractories manufacturing involves high technology and requires most precision process. The product is expected to get stabilized in 2022-23 and will help in meeting the demand from its customers. The Company's capital investments in Dolomite Tempering Kiln and Basic High Temperature Kiln are expected to commence in Q1 of 2022-23. These kilns are designed to improve the quality of product and will help in securing more orders from customers.

Associates

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

Management Discussion and Analysis

Management discussion and analysis given separately forms part of this Report "Annexure - F"

Safety, Health & Environment Management

TRL Krosaki has a zero-harm vision for its people and the environment it works in. The Company's Safety, Health & Environment (SHE) Management systems are based on ISO

14001 and ISO 45001. In fact, TRL Krosaki is the first refractories company in India to be certified under an Integrated Management System, i.e, ISO:9001, ISO:14001 and ISO:45001. The Company has set up procedures for areas where it wishes to set standards that go above and beyond the requirements of the certified management systems. These procedures include hazard identification and risk management; incident reporting, investigation and injury management; EHS performance measurement and monitoring; training and competence building etc..

The SHE initiatives pursued by the Company are aptly supported by strong review and monitoring systems to ensure effectiveness of initiatives. The results achieved and recognitions received at State & National Levels are testimony to the hard work put in these areas.

Safety & Health Management

In its pursuit to achieve "zero harm" to its people and environment, the Company, during the year, focused on reinforcing its safety systems and practices including process safety. During the current year, many focused initiatives were taken in the areas of safety & health. The key initiatives include implementation of five new Safety Standards, digitalization of safety processes, such as, on-line incident investigation system, Behavioral based Safety (BBS) walk System etc.. A unique Artificial Intelligence (AI) driven "Computer Vision Solution" was implanted across the plant to capture real-time and auto capture of safety violations including PPE non-compliance. This has not only strengthened the monitoring system but also facilitated proactive action. Continued focus on safety & occupational health training programme helped in enhancing overall awareness level which was evident from the "Company-wide Survey conducted during the year. The judicious implementation of "Consequent Management System" and "Reward and Reprimand System" in the field of Safety also helped in improving overall safety performance. It is a matter of satisfaction and great pleasure that there "zero" reportable accident were reported during the year.

The performance of the Safety teams posted across key customer sites, such as, Tata Steel, JSW Steel, Arcelor Mittal Nippon steel etc. has significantly improved and was in line with customer expectations. The consistent efforts made in close collaboration with the customers have earned TRL Krosaki many recognitions, such as highest Star Rating, various Awards etc. from reputed customers, such as, Tata Steel, JSW Steel, Arcellor Mittal Nippon Steel etc..

On the health front, the Company continues to focus on its "Preventive Health Care" and "Occupational Health Care" initiatives. The initiatives include; monitoring employee health through "Health Score Card" system, which is linked to their Annual Compensation Decision, proactive health monitoring, conducting Health Awareness sessions by experts etc.. On occupational health care front, job specific periodic health check up is done and action taken based on findings, which include job rotation and life-style change actions. A new initiative on developing a repository of health parameters of employees was taken up and proactive monitoring and action being taken to improve the health conditions. The continued focus on health initiatives helped the Company to continuously achieve "Zero" case of Silicosis, a notified occupational disease not only during the current year but for more than past five years consecutively.

The Company's occupational health and safety initiatives and performances have been duly recognized at National & State levels over the years. During the year, the Company Received the highest level of Safety Award in the Country i.e. "National Safety Award-2018 (Runner-Up) for Lowest Weighted Frequency Rate & Longest Accident Free Period from Directorate General Factory Advice Service and Labour Institutes (DGFASLI), under the Ministry of Labour and Employment, Government of India, 17th CII ESH Best Practices Award-2021 [Odisha Chapter] Confederation of Indian Industries (Odisha Chapter), CII (Eastern Region) SHE Excellence Award 2020-21, The Safety Management initiatives by the company at different Customer Sites have also earned a number of laurels / recognitions from reputed Customers, such as, Tata Steel, JSW Steel, AMN Steel, etc.

Environment Management

The Company's environment management strategies are embedded into its business and operations strategies. Being the first refractories company in India to have a dedicated Environment Management Function, the Company has come a long way to ensure "zero discharge" of wash / wastewater from its factory to achieve best ever "Air Quality" level in the work zone areas. During the year, additional eight numbers of new Dust Extraction systems of Volume 70,000 m3/hr at different locations inside the factory were installed to combat dust pollution. The year under review witnessed a number of CAPEX projects being implanted in the factory, for which "Consent to Establish (CTE)" and "Consent to Operate (CTO)" were obtained in time.

On the resource conservation front, significant improvement was achieved in maximizing use of recycled water; thus conserving fresh water. Similarly, focused action was taken in collecting used refractories products from the Customers and recycling / reprocessing them for use in the production process. This initiative ensured conservation of prime raw materials. Focused initiatives have also been taken in the areas of Energy conservation. The Company boasts of a greenbelt coverage of 35% of the total land area, which is more than the statutory norm. In line with its sustainability drive, the Company has been monitoring the carbon footprint generated, which shows a reducing trend with the CO_2 emission rate, for the first time, reported below 1 Ton CO_2 per Ton of Product.

The Company's endeavor towards protecting the environment has been recognized at State & National Level forums. During the year 2021, the Company won several coveted Environment, Health & Safety (EHS) Awards such as Environment Excellence Award 2021 from Odisha State Pollution Control Board, Best Practices In Environment, Health & Safety Award from Confederation of Indian Industries (Odisha Chapter), CII (Eastern Region) SHE Excellence Award 2020-21, 15th ICC Environment Excellence Award - 2021 from Indian Chamber of Commerce [ICC], Greentech Environment Award-2021 from Greentech Foundation, New Delhi-India, Kalinga Environment Excellence Award 2020 from Institute of Quality & Environment Management system-Odisha.

Corporate Social Responsibility (CSR) Initiatives

The history of Corporate Social Responsibility by TRL Krosaki is as old as its existence. The company believes that business sustainability involves sustained financial performance along with care for social and environmental wellbeing. The Company's Corporate Social Responsibility is not limited to compliance of the legal mandate, but encompasses holistic community development and sustainability related initiatives. Under the guidance of the 'Corporate Social Responsibility Committee' constituted at the Board level, Company's Corporate Social Responsibility Initiatives, CSR activities run through initiatives on Education, Health Care, Drinking Water and Sanitation, Sustainable Livelihood, Infrastructure Development, Environment Protection, Ethnicity and Sports.

The company continued its practice of collaborating with different stakeholders of the society to understand their needs and framed its Annual CSR Action Plan. Despite of the challenges posed by COVID 19 Pandemic period, the Company implemented all its CSR Projects within the timeframe as taken up in the plan. A special effort was taken to address longstanding social issues related to road safety, modernisation of education infrastructure, income multiplication of marginalised farmers, etc.

To help the society withstand the second and third wave of COVID 19, focused CSR initiatives were taken for creating awareness, distribution of face mask and soap, sanitisation of public places, setting up of COVID Care Centre, Vaccination Centre, etc.

The CSR initiatives undertaken by TRL Krosaki has received due recognition as the company bags the coveted 'Social Impact Award' under 'Promotion of Gender Equality and Women Empowerment' in Large Enterprise Category for the Year 2022. The award is instituted by Indian Chamber of Commerce (ICC).

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

The Company's CSR Policy is displayed in the Company's website (www.trlkrosaki.com) which can be accessed by anyone at any point of time.

The Company spent around Rs. 210.71 Lakhs towards its CSR initiatives during the year.

Industrial Relations

The year 2021-22 witnessed a cordial and collaborative Industrial Relations at all units and branches. Union election was executed harmoniously in October 2021 with appreciation from all stakeholders. The annual Bonus Settlement and the Long-term Wage Settlement (2020 - 24) were signed amicably between Union and Management. The Wage settlement saw a remarkable increase in wages which was well appreciated by all employees and the Union thanked Management for this kind gesture.

The Union supported Management well towards managing Covid-19 by spreading required awareness towards safety protocols. They also supported towards ensuring the required manpower deployment in view of pandemic challenges during the year.

Regular connect with workmen at all levels including through online & offline trainings, at the shop floor and timely redressal of grievances were given special emphasis and these continued to facilitate production and productivity towards better business performance during 2021-22.

Corporate Governance

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

Annual Return

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

Vigil Mechanism

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

The Vigil Mechanism consists of four policies 1. TRL Krosaki Code of Conduct 2. Whistle Blower Policy for Directors and Employees 3. Anti-Bribery and Anti-Corruption (ABAC) policy and 4. Conflict of Interest policy. During the year, to widen the coverage and strengthen the Vigil Mechanism and process, the 4th policy "Conflict of Interest policy" was developed and implemented. This policy sets out principles and guidelines for ensuring employees professional decisions are not influenced by undue personal interests. All these policies encourage every employee to promptly report to the management any actual or possible violation of the Code of Conduct on any event wherein he or she becomes aware of that, which could affect the business or reputation of the Company. These policies provide protection to vendors from victimization or unfair trade practice by the Company and provides protection to the whistle blowers from any retaliatory action.

During the year, to bring more clarity in understanding of all the policies, an online test was conducted wherein questions are asked randomly and employees are required to score atleast 80% of marks to be eligible to confirm that they have understood the policies. All the officers appeared and completed the test with more than 80% marks. The number of employees passed in the online test is being reported to the Audit Committee.

Internal Control System

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

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

The Company uses various proven and trustworthy IT platforms to keep the internal control framework robust and approved information management policy governs these IT platforms. During the year, to further strengthen controls a new software, "Togglenow", integrated with SAP for removing conflicts in segregation of duties has been implemented. The systems, standard operating procedures and controls are implemented by the executive leadership team and reviewed by internal audit team, whose finding and recommendations are placed before the Audit Committee.

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

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

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

Directors' Responsibility Statement

Based on the framework of internal financial controls established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and external agencies, including Audit of internal financial controls over financial reporting by the Statutory Auditors and the review performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2021-22.

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

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

(b) that directors had selected such accounting policies and applied them consistently, and made judgments and estimates, that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of Financial Year, and of the profit and loss of the Company for that period;

(c) that the directors had taken proper and sufficient for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) that the directors had prepared the annual accounts on a going concern basis;

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

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

Related Party Transactions

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

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

Remuneration Policy

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

Meetings

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

Auditors

(a) Statutory Auditors

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

M/s BSR & Co. LLP, Chartered Accountants, present Auditors of the Company, retire at the forthcoming Annual General Meeting (AGM) and as per section

139(2) of the Companies Act, 2013, are eligible for re-appointment. The Board has recommended the appointment of BSR & Co. LLP, Chartered Accountants, as Auditors of the Company for a further period of five years to hold office from conclusion of the ensuing AGM till the conclusion of 68th AGM to be held in 2027.

M/s BSR & Co. LLP has audited the books of accounts of the Company for the Financial Year ended March 31, 2022 and have issued the Auditors' Report thereon. There are no qualifications or reservations or adverse remarks or disclaimers in the said Report.

(b) Secretarial Auditors

Pursuant to the provision of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company appointed Ashok Mishra & Associates, Company Secretaries as Secretarial Auditors to conduct Secretarial Audit of the Company for the FY 2021-22. The Secretarial Audit Report is annexed herewith as "Annexure - C". There are no qualification/ observations in the said Report.

(c) Cost Auditors

As per Section 148 of the Companies Act, 2013 ('Act'), the Company is required to maintain the cost records and have the Audit of its cost records conducted by a Cost Accountant in practice with respect to some products. The Company is maintaining these cost records.

In this connection, the Board of Directors of the Company has on the recommendation of the Audit Committee approved the appointment of M/s JUP Associates as the Cost Auditors of the Company for the year ending March 31, 2022.

In accordance with the provisions of the Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the members of the Company. Accordingly, appropriate resolution forms part of the Notice convening the AGM. The Board seeks your support in approving the proposed remuneration of ₹ 1.25 Lakhs plus applicable taxes and reimbursement of out-of-pocket expenses payable to the Cost Auditors for the Financial Year ending March 31, 2022.

The due date for filing of Cost Audit Report of the Company for the Financial year ended March 31, 2021 was September 30, 2021 and the same was filed in XBRL mode on 24th August, 2021.

Particulars of Loans, Guarantees or Investments

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

Outstanding as at 31st March 2022

Particulars	Amount (₹ Crores)
Loan given	Nil
Guarantees Given	Nil
Investments Made (Refer Note 2 & 3 to Standalone Accounts)	16.08

No investment has been made during the year.

Risk Management

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

The Company's risk management process focuses on timely identification and analysis of the risks associated with the business and operating environment and addresses the same suitably to eliminate or mitigate the risk. Cohesion between all risk and control functions (Risk, Finance Control, Compliance, IT Security and Health & Safety) continues to be a priority to support an integrated assurance process.

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

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

Independent Directors Declaration

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

Directors

Mr. Anirban Dasgupta (DIN:06832261) retires by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment. The Board recommends his re-appointment.

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

Ms. Shuang Zhu (DIN: 08745245) retires by rotation at the 63rd Annual General Meeting (AGM). Based on the recommendation of the Nomination and Remuneration Committee, the Board felt that the services of Ms. Zhu would no longer be required by the Company and, therefore, decided not to consider her candidature for the re-appointment at the 63rd Annual General Meeting. The Board also decided that vacancy so caused by the retirement of Ms. Zhu be not filled in the said meeting as per the provisions of the Section 152(7)(a) of the Companies Act, 2013. The necessary resolutions in this respect form part of the Notice convening the AGM to be held on 19th September, 2022.

Mr. Sudhanshu Pathak, a Director (DIN: 06545101) has submitted his resignation from the Board with effect from 1st August, 2022.

The Board placed on record their sincere thanks and appreciation to both Mr. Pathak and Ms. Zhu for their invaluable contributions to the prosperity and growth of the Company.

Key Managerial Personnel

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

Mr. Asim Kumar Meher was appointed by the Board as the Company Secretary of the Company with effect from 08th March, 2022. Mr. Sambit Mishra left on 20th October, 2021 and consequently ceased to be the Company Secretary with effect from the same date.

Employees

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

Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo

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

Significant and Material Orders Passed by the Regulators or Courts

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

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

The company has Zero tolerance for sexual harassment at workplace and has a policy Anti-Sexual Harassment Initiative (ASHI) as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013. Accordingly, an Internal Committee (IC) has also been constituted.

To create awareness, employees undergo periodical sessions on ASHI. As a new initiative this year an online course was also rolled out for the employees in officer cadre.

With the increased awareness amongst women this year IC has reported 2 (two) complaints of harassment in its Annual Report submitted to the Govt. These cases were resolved within the timeframe as per the Act.

Deposits

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

On behalf of the Board of Directors

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

Date : August 01, 2022
Place : Kolkata

Annexure A

Annual Report on Corporate Social Responsibility Activities

[Pursuant to Section 135 of the Companies Act, 2013 and
the Companies (Corporate Social Responsibility Policy) Rules, 2014]

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

2. **Composition of CSR Committee :**

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

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

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

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

6. Average net profit of the company as per section 135(5): Rs. 103,39,08,399

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 2,06,78,168

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. NIL.

(c) Amount required to be set off for the financial year, if any: NIL

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 2,06,78,168

8. (a) CSR amount spent or unspent for the financial year:

Total amount spent for the financial year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
Rs. 2,10,71,292	NA	NA	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

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

ANNEXURE TO THE CSR ANNUAL REPORT 2021-22

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

S. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area Yes/No	Location of the project		Amount spent for the project (in Rupees)	Mode of implementation - Direct (Yes/No)	Mode of Implementation through implementing Agency	
				State	Dist			Name	CSR Registration No
1	Merit cum means scholarship to poor and meritorious students, Total Secondary School Education facilities to talented SC/ST students, development of infrastructure for education and financial aid to Prerana and BEST Trust.	Education	Yes	Odisha/	Jharsuguda	31,02,886	Direct	Not Applicable	
2	Organising Health Awareness Programmes, "Balyashree" Programme, Filaria immunization & National Pulse Polio programmes, Support to National AIDS Control Programme	Health Services	Yes	Odisha/	Jharsuguda	1,45,149	Direct	Not Applicable	
3	Supply of drinking water through tankers, Construction of facilities for access to safe drinking water, Community toilets in rural areas	Drinking Water & Sanitation	Yes	Odisha/	Jharsuguda	5,39,712	Direct	Not Applicable	
4	Promoting Skill Development Training to unemployed youth through the Rural Self Employment Training Institute	Sustainable Livelihood	Yes	Odisha/	Jharsuguda	12,65,031	Direct	Not Applicable	
5	Extending support to cultural / social events to promote culture	Promotion of Ethnicity, traditional Art & Culture	Yes	Odisha/	Jharsuguda	1,95,097	Direct	Not Applicable	
6	Maintaining a nursery for development of saplings, development and maintenance of block plantation areas, distribution of saplings for community plantation. Installation of Solar Irrigation Project in Kureimal Village.	Environment	Yes	Odisha/	Jharsuguda	22,80,919	Direct	Not Applicable	
7	Developing Rural Infrastructure for public use and enhncement of road safety for public	Rural Infrastructure Development	Yes	Odisha/	Jharsuguda	1,15,77,105	Direct	Not Applicable	
8	Supplying sports kits to sports clubs & schools, extending material support for organizing sports events in rural areas	Promotion of Sports	Yes	Odisha/	Jharsuguda	1,25,638	Direct	Not Applicable	
9	COVID Prevention & Management Programme, Setting up and management of CCC	Awareness and Prevention of COVID 19	Yes	Odisha/	Jharsuguda	17,36,743	Direct	Not Applicable	
	Total					**2,09,68,280**			

(d) Amount spent in Administrative Overheads: Rs. 1,03,012/-

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 2,10,71,292/-

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

S. No.	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 2,06,78,168
(ii)	Total amount spent for the Financial Year	Rs. 2,06,78,168
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

ANNEXURE TO THE CSR ANNUAL REPORT 2020-21

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

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

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

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year - Not Applicable

(asset-wise details).

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Not Applicable.

12. Responsibility statement of the CSR Committee: The implementation and monitoring of CSR policy is in compliance with CSR objectives and Policy of the Company.

Date : May 12, 2022
Place : Kolkata

Sd/-
P. B. Panda
Managing Director

Sd/-
Sudhansu Pathak
CSR Committee Chairman

Annexure C

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2022

To
The Members,
TRL KROSAKI REFRACTORIES LIMITED
CIN-U26921OR1958PLC000349

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

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

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

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

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

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

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

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

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

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

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

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

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

(iii) Listing Agreement with Stock Exchanges.

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

We further report that:

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

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

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

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

Place: Bhubaneswar
Date: 27.04.2022

For Ashok Mishra & Associates
Company Secretaries

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

UDIN-F005128B000335997

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

Enclosure-A

Annexure to Secretarial Audit Report

To

The Members,
TRL Krosaki Refractories Limited
U26921OR1958PLC000349

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

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

Place: Bhubaneswar
Date: 27.04.2022

For Ashok Mishra & Associates
Company Secretaries

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

UDIN-F005128B000335997

Annexure D

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

Name	Designation/ Nature of duties	Gross Remuneration ₹	Net Remuneration ₹	Qualifications	Age (Years)	Total Experience (Years)	Date of Commencement of Employment	Particulars of last Employment held
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
P. B. Panda	Managing Director	2,87,63,304	1,42,08,047	B. Sc. (Tech.) Ceramic Tech.	64	40	17.10.1981	—
H. Sehgal	EVP (Operations)	1,07,60,105	62,13,814	B.Tech. (Mech.)	56	33	08.03.2007	Vardhaman Textiles
M. V. Rao	EVP (Finance) & CFO	94,53,555	53,32,241	FCMA	59	33	14.08.1992	Stiles India Ltd.
T. P. Dash	EVP (Corporate Services)	92,74,854	56,93,710	MSc. (Chemistry),, P. G. Diploma (Ecology & Env.), P.G. Diploma (Safety), P.HD. Env. Sc.	56	31	17.09.1991	J.K. Paper Mills Ltd.
S. Sengupta	EVP (Sales, Marketing & Customer Care)	91,47,315	54,44,845	B.Tech.(Ceramic)	50	29	03.08.2009	IFGL Refractories Ltd.
P. K. Naik	EVP (P & S)	86,98,669	50,80,141	M Tech. (Geology)	57	30	01.08.1991	—
R. K. Singh	V P (HR & IR)	76,93,091	45,37,348	"PHD in HR Management, Executive MBA"	56	26	10.05.2018	Hindustan Coca-cola Beverages Pvt. Ltd.
Krishnendu Kumar	AVP (DSS-EAST-KOL & CENTRAL)	72,22,479	44,48,828	Bsc. Technology (Ceramics)	45	21	01.08.2000	—
H. Nagata	EVP (Tech & TSS)	69,17,185	45,43,203	M. Tech. (Metallurgy)	63	39	01.07.2015	Krosaki Harima Corporation, Japan
Asoke Tripathi	AVP (DSS WEST & NORTH)	66,76,006	41,18,882	B.Tech (Ceramic Tech.)	50	19	02.09.2002	ACC Limited

Notes:

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

On behalf of the Board of Directors

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

Date : August 01, 2022
Place : Kolkata

Annexure E

Conservation of Energy, Technology Absorption

A. Conservation of Energy

(i) Steps taken or impact on conservation of energy

(a) Energy conservation measures taken:

i. Pet coke primary air blower pressure increased from 180 mmwc to 2100 mmwc to increase flame speed and stabilize flame shape to maintain temperature profile in rotary kiln.

ii. Feed size of raw dolomite used, modified during monsoon and winter to 20mm instead of 25mm to achieve higher sinter B.D.

iii. A drive was installed in furnace oil pump motor to minimize oil flow fluctuation in rotary kiln.

iv. To maintain proper suction regular cleaning of smoke chamber is introduced in rotary kiln.

v. Primary Air Fan duct and preheat pipeline damaged insulation replaced to reduce heat loss in rotary kiln.

vi. Variable frequency drive installed in fans of deducting units throughout the plant.

vii. Power factor maintained < 0.995.

(b) Impact of above measures :

i. Lowest ever Specific consumption of oil of 127liters/MT of sinter is achieved in 2021-22.

ii. Highest ever sinter production of 57865MT is achieved in 2021-22.

iii. Lowest ever specific electricity consumption of 201KWH/MT of Belpahar production is achieved in 2021-22.

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

B. Technology absorption, adaptation and innovation:

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

- Number of new products have been introduced in the product basket with in-house development as well as with technical know-how with Krosaki Harima Corporation, Japan.
- New cost effective composite Tap hole clay (TRL MUD41KP) has been designed for Bigger capacity BF Application. (M/s JSW-Toranagallu).
- Gunning material for online Repair of BF-Trough to enhance throughput.
- Improved Quality ABF Top Block for Aluminium Industry.
- New generation Seating Block with improved performances for Steel Ladle.
- Improved quality of Dry Vibratable Mass for Tundish application.
- Improved quality Tundish Refractories like Dams,Weirs,Well Block,Spraying Mass etc for TD-TTM .
- High corrosion & Spalling resistance- Al_2O_3 -Magnesia - Carbon bricks for Steel Ladle Metal zone area.
- High performance Magnesia-Carbon Bricks for steel ladle Slag Line area.
- Improved quality Direct bonded Magnesia-Chrome bricks for PS-Converter application (M/s Boliden-Sweden & Auribus-Hamburg ,Germany) .
- High performance Mullite Bricks for vertical shaft Kiln for Coke calcination unit.
- High performance Un-Burnt Dolomite Bricks for steel making application.
- Improved quality burnt Magnesia enriched Dolomite Bricks for critical area of AOD Vessel.
- High performance Slide plates & Nozzles for steel Ladle.
- Newly constructed TRL Krosaki Technology Centre has been inaugurated with advanced characterization equipment/facilities.
- TRLK-Technology Division has published 6 Nos of Technical papers in the 17th Biennial World Congress on Refractories (UNITECR-2022) held on 15-18th March/2022 at Chicago, USA.
- TRL Krosaki is continuously working jointly with Customers (TSL-TISTRIK) and Raw material suppliers (ALMATIS, IMERYS & ELKEM etc.) for performance improvement of existing products, new product development and introduction of new raw materials.

(ii) Benefits derived as a result of above efforts

Improved product performance and cost reduction.

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

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

C. Research & Development

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

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

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

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

(iii) Future plan of action

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

(iv) Expenditure of R&D

(a) Capital	:	Rs. 1132.76 Lakhs
(b) Recurring	:	Rs. 989.99 Lakhs
(c) Total	:	Rs. 2122.75 Lakhs
(d) Total R&D expenditure as a Percentage of total turnover	:	1.10%

This Figures are unaudited from Finance

D. Foreign Exchange Earnings & Outgo Research & Development

Foreign Exchanged Earned	:	Rs. 323.86 Crores
Foreign Exchanged Used	:	Rs. 535.35 Crores

On behalf of the Board of Directors

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

Date : August 01, 2022
Place : Kolkata

Annexure F

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Overview

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

The steel industry is the major consumer of refractories. The growth of refractories industry is closely linked with the growth of iron and steel industry. India has become 2nd largest producer of crude steel in the world. India's estimated steel production in 2021-22 was 118 Mn. MT an increase of 16 Mn. MT from 102 Mn. MT in 2020-21. It is estimated that steel demand will continue to increase in India especially from construction, automotive and infrastructure sectors. Growth story of Indian Steel Industry is further supported by Government's thrust on infrastructure development which was announced in the Union Budget. Indian steel industry is expected to infuse fresh funds for raising capacity utilization. Steel industry in India is consolidating and the unused capacity of the industry is being utilized. It is estimated that the steel production in India will increase to 126 Mn. MT by 2022-23. This will increase the demand for refractories. Other major consuming industries like cement, copper and aluminum are also expected to grow in the next 5 years.

Performance Review

During the year, the Company recorded revenue of Rs. 1924 Crores (previous year Rs. 1430 Crores). Profit Before exceptional items and Tax stood at Rs. 133 Crores (previous year: Rs. 49 Crores); Profit Before Tax Rs. 137 Crores (previous year: Rs. 57 Crores) and Profit After Tax of Rs. 103 Crores (previous year: Rs. 44 Crores). The increase in profit before tax is primarily on account of improved realisations and higher volume of focused products.

Sl. No.	Item	2021-22 ₹ Crores	2020-21 ₹ Crores	Change (%)
1	Sale of Products and Services	1924	1424	35% ↑
2	Other Income	0	6	100% ↓
3	Total Income (1+2)	1924	1430	35% ↑
4	Manufacturing and other Expenses	1741	1430	30% ↑
5	Earnings before interest, Depreciation, Taxes	183	90	103% ↑
6	Exceptional Item	4	8	50% ↓
7	Other comprehensive income (Loss)	-1	-3	67% ↑
8	EBIDTA margin	9.5%	6.3%	48% ↑
9	Depreciation	34	29	17% ↑
10	Finance Cost	16	12	33% ↑
11	Profit Before Tax	137	57	140% ↑
12	Profit After Tax	103	44	134% ↑

Raw material consumption increased from Rs. 618 Crores in 2020-21 to Rs. 803 Crores in current year primarily on account of increase in raw material prices and ocean freight. Employee benefit expenses increased from Rs.131 Crores in 2020-21 to Rs. 141 Crores in current year primarily on account of salary revisions and its consequential impact on the retirement provisions. Depreciation increased from Rs. 29 Crores in 2020-21 to Rs. 34 Crores in current year primarily on account of increase in capitalization. Finance cost increased from Rs. 12 Crores in 2020-21 to Rs. 16 Crores in the current year primarily due to higher utilization of working capital facility following increase in business. Stores and Spares consumption increased from Rs. 27 Crores in 2020-21 to Rs. 33 Crores in current year primarily due to increase in production and increase in prices. Repairs to Building decreased from Rs.24 Crores in 2020-21 to Rs.16 Crores in current year primarily due to decrease in repairs in township. Contractors charge for refractory management increased from Rs. 30 Crores in 2020-21 to Rs. 36 Crores in current year on account of increase in refractory management activities at customers' sites. Fuel consumption increased from Rs. 74 Crores in 2020-21 to Rs. 130 Crores in current year primarily due to increase in prices of furnace oil and coal. Conversion and processing charges increased from Rs.22 Crores in 2020-21 to Rs. 32 Crores in the current year due to increase in production. Freight and Handling charges increased from Rs. 88 Crores in 2020-21 to Rs. 120 Crores in the current year primarily due to increase in ocean freight and packing cost. Royalty increased from Rs. 6 Crores in 2020-21 to Rs. 8 Crores in current year due to higher sale of royalty bearing products. Commission expenses increased from Rs. 8 Crores in 2020-21 to Rs.10 Crores in current year primality due to higher business through overseas agents. Travelling expenses increased from Rs. 4 Crores in 2020-21 to Rs. 6 Crores in current year primarily due to increase in travelling after lifting of travelling restrictions levied on account of COVID-19 Pandemic. Insurance charges increased from Rs.2 Cr. in 2020-21 to Rs. 3 Crores in current year due to increase in policy rates and increase in policy amount.

Customer Relationship

Continuous improvement in customer experience through world class services is the key priority of the organization. The Company focuses to capture customer feedback from time to time vide proactive communication and keep itself updated with their changing needs. The Company aims to provide a personalized customer experience and meet customer expectations through unique solutions which are best in the industry.

During the onset of the pandemic, the Company started to give focus on maximizing usage of virtual platforms with more focus on mechanization and digitization to reduce human interference. During the year, these activities gained momentum and helped to improve the confidence of its customers on the Company's ability to meet customers' expectations. "Customer Relationship Management" module powered by Microsoft was launched during the year and this has automated the customers' response and strengthened the usage of data analytics. As the usage of this powerful tool matures, the quality of interaction with the customers is expected to witness a remarkable improvement. In order to give focus on predictive maintenance, the Company has strengthened its engineering capability through installation of a state-of-the-art simulation facility through Computational Fluid Dynamics at the Company's Design Centre at Belpahar. During the year, the Company started using this facility to share with its customers the possible improvements in maintenance practices and prevent unplanned outage of the equipment. Towards the commitment on enhanced safety and mechanization at customer's premises, the Company developed a semi-automated Manipulator for Tata Steel, Jamshedpur for its LD-1 shop to lift heavy load during application of slide gates, thereby eliminating manual intervention and ensuring improved safety. In Trough Management, the Company had improved productivity at G Blast Furnace of Tata Steel, Jamshedpur through improved campaign life and reduced repair time thereby eliminated customer's pain point. At JSW Steel, Dolvi, the Company introduced high erosion resistance refractories to counter changing quality of Iron Ore. The Company developed customized design in lining for Torpedo refractories through data analytics on erosion pattern and in-depth study of customer operations helped to establish benchmark performances at several customers like Steel Authority of India Limited and Jindal Steel & Power Limited. Towards the Company's preparedness for future, it is developing lining design for "Coke Dry Quenching" units which are the future technology in Coke making in the country. Towards this effort, the Company was awarded with contracts by JSW Steel and Tata Steel for supplies of such refractories with the Company's design. For Pellet plants in the Direct Reduced Iron (DRI) industry, the Company developed its first design for Bravo Ispat which was successfully applied and commissioned during the year. This is the Company's first footprint in pellet plant segment and is expected to grow further in the future. In the overseas, the Company successfully designed and supplied world's first "Mullite Bricks" in Vertical Shaft Kiln for Coke Calcination at Sanvira Industries FZC LLC, Oman. The Company also established itself as a significant player in Steel Caster refractories and "Total Tundish Management" with successful execution and benchmark performances at SAIL-RSP and Arcelor Mittal Nippon Steel India. Every customer is important for the Company and the journey of enhancing customer satisfaction is not just limited to integrated ferrous and non-ferrous mills. The Company has also established a strong retail network across the country and achieved a robust growth during the year. This is a testimony of confidence of its customers from small scale sector as well. Strong focus on safety continues at customers' sites and the company was recognized for its efforts through accolades from several customers. The most notable ones are the award on "Adopting & Implementation of Best Safety Practices in the Calendar year 2021" from JSW Steel, Vijaynagar and the other one is Four Star rating on "Contractor Safety Management" from Tata Steel.

International Business

Present challenging scenario of 2020-21 in global refractory market due to Covid 19 continued and the Company also witnessed similar challenges in 2021-22. There was a production cut or frequent operational stoppages in both ferrous and non-ferrous industries, inventory corrections by consuming industries, deferment of new projects / capital repairs apart from logistic volatility. Unprecedented rise in ocean freight coupled with crisis of container availability and vessel slot allocation remained as major bottleneck in export business. Along with these challenges, the Company also faced an additional impact on final product cost due to increase in input costs like raw material prices, fuel prices and availability raw material.

With the above mentioned challenging and adverse global business scenario, the Company remained focused towards continuous improvement in global footprint for achieving 30% of company's annual revenue from International Business. For registering sustainable sales growth, strategy has been set to put more focus on consumable market through maximizing Focused Products selling along with fulfilling project requirement. Additional thrust has been given towards performance improvement through quality optimization and rendering best possible support service. The Company could be able to re-negotiate all major long-term contracts successfully and revised prices to combat against increase in input cost of raw materials, fuels, and ocean freight. This helped in maintaining the sustainable overseas business and bottom line.

2021-22 export revenue of the company registered a growth of 30% over 2020-21 and achieved Rs.312 Cr. without project order business. Dolomite Refractory, which is one of the Focused Products wherein the Company aims to improve its market share in overseas market, generated a volume growth of 50% over previous year and marked the highest ever sales in volume. The company established market footprint in new countries like, Namibia, Bulgaria, Sweden, Ecuador, Slovakia, and Tanzania.

Borrowings and Liquidity

Borrowing for working capital increased from Rs. 74 Crores on 31st March 2021 to Rs. 183 Crores on 31st March 2022 primarily due to increase in revenue and increase in inventory. Inventory of raw materials increased from Rs. 219 Crores on 31st March 2021 to Rs. 291 Crores on 31st March 2022 primarily due to planned increase in stock of Chinese raw materials following the uncertainty in its availability. Trade Receivables increased from Rs. 237 Crores on 31st March 2021 to Rs. 299 Crores on 31st March 2022 due to increase in revenue. Other current assets decreased from Rs. 31 Crores on 31st March 2021 to Rs. 29 Crores on 31st March 2022 primarily due to decrease in advances with public bodies.

The average cost of borrowing has decreased from 5.85% in 2020-21 to 5.41% in the current year mainly due to change in mix of loans.

Keeping in view the business plan of 2022-23, current gearing level and unutilized credit limits, the Company is comfortable of managing its liquidity over the short and medium term.

Human Resources

Building capabilities of Human Resources is one of the top priorities of the Organization. Despite the challenges faced due to Covid-19, learning continued unabated largely through online mode by internal faculty and experts. Need based key business requirements were given primary focus during these trainings. A total of 202 capability building programs were held, out of which 161 were led by internal faculty, while 42 were external programs with an overall 2343 man-days training during this financial year.

Some of the key long-term programs included "Product Knowledge & Application" for officers including for newly joined cadre, while for workmen Operator Skill Upgradation Program and Employee Mentorship Program (Phase 2) were key programs. The operator Skill upgradation is aimed at multi-skilling workmen on required key technical competencies with long-term Organization benefits. Regardless of transition to the online mode due to pandemic, ensuring trainings effectiveness remained our forte with average effectiveness rating at 8.8 on a scale of 1 to 10, with 10 being the highest.

With resumption of normalcy, several focused long-term programs are being launched gradually. Collaboration with Krosaki Harima Corporation (KHC) on capability building has increased the scope for diverse learning and knowledge exchange. These programs have shown a very positive outcome.

The team ensured continuous connect with the employees through multiple channels to sustain their level of engagement and productivity and to address the stresses out of pandemic, business uncertainty & work from home. The leadership connect sessions with employees across all levels served very well towards this objective. Initiatives were taken to enhance the onboarding experience of new joiners which included their engagement survey followed by addressing their concerns. Tailor-made programs based on Emotional Intelligence & Understanding Personalities were conducted for them to support their engagement, interpersonal effectiveness and help them settle down well in the Organization.

Annexure G

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2021-22

Company's Corporate Governance Philosophy

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

Board of Directors

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

SIZE AND COMPOSITION OF THE BOARD

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

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

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

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

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

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

Name	DIN	Whether attended AGM held on September, 29, 2021	No. of Directorships in other Public Companies # As on 31.03.2022		No. of Committee Positions held in other Public Companies * As on 31.03.2022	
			As Chairman	As Director	As Chairman	As Member
Non-Executive Directors						
Mr. H. M. Nerurkar (Chairman)	00265887	Yes	4	2	7	15
Mr. Sachihiko Asaya	09043344	Yes	—	—	—	—
Ms. Shuang Zhu	08745245	Yes	—	—	—	—
Mr. Jumpei Konishi	09152493	NA	—	—	—	—

Name	DIN	Whether attended AGM held on September, 29, 2020	No. of Directorships in other Public Companies # As on 31.03.2021		No. of Committee Positions held in other Public Companies * As on 31.03.2020	
			As Chairman	As Director	As Chairman	As Member
Mr. Anirban Dasgupta	06832261	Yes	—	3	—	3
Mr. Sudhansu Pathak	06545101	Yes	—	1	—	—
Mr. Hisatake Okumura	05130777	Yes	—	—	—	—
Independent Directors						
Mr. P. V. Bhide	03304262	Yes	—	7	1	8
Mr. R. Ranganath	06725337	Yes	—	—	—	—
Executive Director(s)						
Mr. P. B. Panda (Managing Director)	07048273	Yes	—	—	—	—

Excludes Directorships in Private and Foreign Companies.

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

Board Meetings

SCHEDULING AND SELECTION OF AGENDA ITEMS FOR BOARD MEETINGS

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

Six Board Meetings were held during the financial year 2021-22 and the gap between two consecutive meetings did not exceed one hundred and twenty days.

The details of meetings attended by Directors are given below:

Name of the Director	Category	No of meeting attended	Attendance(%)
Mr. H. M. Nerurkar (Chairman)	NED	6	100
Mr. P.B. Panda	ED	6	100
Mr. Sudhansu Pathak	NED	6	100
Mr. Jumpei Konishi (wef 27th April, 2021)	NED	4	67
Mr. Hisatake Okumura	NED	6	100
Mr.Anirban Dasgupta	NED	3	50
Ms. Shuang Zhu	NED	5	83
Mr. Sachihiko Asaya	NED	6	100
Mr.P.V.Bhide	ID	6	100
Mr.R.Ranganath	ID	6	100

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

Mr.Jumpei Konishi was appointed as Director effective from 27th April,2021.

INDEPENDENT DIRECTORS' MEETING

Pursuant to Schedule IV of the Companies Act, 2013, the Independent Directors met on 7th March, 2022 without the presence of Non Independent Directors and members of the Management. At this meeting, the Independent Directors inter alia evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

AUDIT COMMITTEE

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

Five Meetings of the Audit Committee were held during the financial year 2021-22.

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

Name of the Director	Category	No of meeting attended	Attendance (%)
Mr. P. V. Bhide (Chairman)	ID	5	100
Mr. R. Ranganath	ID	5	100
Mr. Sachihiko Asaya	NED	5	100

ID - Independent Director, NED - Non-Executive Director

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

NOMINATION AND REMUNERATION COMMITTEE

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

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

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

Three meeting of the Nomination and Remuneration Committee were held during the financial year 2021-22.

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

Name of the Director	Category	No of meeting attended	Attendance(%)
Mr. Hisatake Okumura (Chairman)	NED	3	100
Mr. H. M. Nerurkar	NED	3	100
Mr. P. V. Bhide	ID	3	100
Mr. R. Ranganath	ID	3	100

ID - Independent Director, NED - Non-Executive Director

REMUNERATION POLICY OF DIRECTORS, KMPs AND OTHER EMPLOYEES

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

DETAILS OF REMUNERATION TO DIRECTORS FOR 2021-22

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

Sl. No.	Name of the Director	Commission *	Sitting Fees
1	Mr. H. M. Nerurkar	40.00	5.40
2	Mr. Sachihiko Asaya	4.87	4.50
3	Mr. Anirban Dasgupta	1.47	1.50
4	Ms. Shuang Zhu	2.03	2.50
5	Mr. Sudhansu Pathak	4.89	3.60
6	Mr. Hisatake Okumura	6.90	5.40
7	Mr. Jumpei Konishi	2.84	2.90
8	Mr. P. V. Bhide	12.00	5.40
9	Mr. R. Ranganath	10.00	6.00

Note:

(a) * Commission for the financial year 2021-22, will be paid after adoption of Financial Statements at the 63rd Annual General Meeting scheduled to be held on September 19, 2022.

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

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

(d) Amount indicated against Mr. Sudhansu Pathak:

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

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

(b) Managing Director (₹ lakhs)

Name	Salary	Perquisites & Allowances	Commission @	Stock Options
Mr. P. B. Panda	101.70	54.62	125.00	—

@ Commission will be paid after adoption of financial statements for FY 2021-22 at the 63rd Annual General Meeting scheduled to be held on September 19, 2022.

Service Contract, Severance Fees and Notice Period

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

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

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

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

The terms of reference of the Committee are:

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

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

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

Two meetings of the Corporate Social Responsibility (CSR) Committee were held during the financial year 2021-22.

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

Name of the Director	Category	No of meeting attended	Attendance(%)
Mr. Sudhansu Pathak (Chairman)	NED	2	100
Mr. P. B. Panda	ED	2	100
Mr. R. Ranganath	ID	2	100

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

COMMITTEE OF BOARD

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

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

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

Five meetings of the Committee of Board (COB) were held during the financial year 2021-22.

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

Name of the Director	Category	No of meeting attended	Attendance(%)
Mr. H. M. Nerurkar (Chairman)	NED	5	100
Mr. P. B. Panda	ED	5	100
Mr. H. Okumura	NED	5	100
Mr. Jumpei Konishi (w.e.f 27th Apr, 2021)	NED	3	60

NED - Non-Executive Director, ED – Executive Director

Mr. Jumpei Konishi was appointed as Director and became member of the Committee of Board effective from 27th April, 2021.

GENERAL BODY MEETINGS

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

Financial Year	Date	Time	Location	Special Resolution Passed for
2020-21	29th Sept'21	01:00 PM	Belpahar, Jharsuguda, Odisha - 768218	No Special Resolution Passed
2019-20	29th Sept'20	01:00 PM	Belpahar, Jharsuguda, Odisha - 768218	Re-appointment of Mr. P. B. Panda, Managing Director
2018-19	25th Sept'19	11:00 AM	Belpahar, Jharsuguda, Odisha - 768218	1. Revision in terms of remuneration of Mr. P. B. Panda, Managing Director 2. Alteration of Article of Association

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

OTHER DISCLOSURES

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

INFORMATION TO INVESTORS

Annual General Meeting 2022

Date	**19th September, 2022**
Time	16:00 PM IST
Venue	Registered Office of TRL Krosaki Refractories Limited, Belpahar, Jharsuguda, Odisha 768218.
Financial Year	1st April, 2021 to 31st March, 2022

Particulars of Directors seeking appointment / re-appointment are given in the annexure to the Notice of the Annual General Meeting to be held on 19th September, 2022.

Address for correspondence

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

Distribution of Shareholding as on 31st March, 2022

Number of Shares Slab	Number of Shareholders	% of Shareholders	Number of Shares Held	% of Shares Held
1-100	73	42.69	4,178	0.02
101-500	33	19.29	11,165	0.05
501-1000	17	9.94	15,060	0.07
1001-5000	16	9.36	42,120	0.20
5001-10000	4	2.34	32,753	0.16
10001-100000	24	14.04	9,41,210	4.50
Above 100000	4	2.34	1,98,53,514	95.00
Total	**171**	**100**	**209,00,000**	**100**

Categories of Shareholding as on 31st March, 2022

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

Top Ten Shareholders of the Company as on 31st March, 2022

Sl.No.	Name of the Shareholders	No. of Shares Held	% of Holding
1	Krosaki Harima Corporation	162,22,864	77.62
2	Steel Authority of India Limited	22,03,150	10.54
3	Life Insurance Corp. of India	9,62,500	4.61
4	Rita Pavankumar	4,65,000	2.22
5	Lalita Kayan	1,00,000	0.48
6	S. M. S. Investment Corp. Pvt. Limited	97,490	0.47
7	Devraj Singh	92,285	0.44
8	Lalitya Kumari	92,285	0.44
9	Man-Made Fibers Pvt. Limited	75,000	0.36
10	M/S Alpic Finance Limited	70,000	0.33

Dematerialization of shares as on 31st March, 2022

We have established connectivity with the depository, i.e. National Security Depository Limited (NSDL). The International Securities Identification Number ("ISIN") allotted to the shares under the Depository System is **INE 012L01014.** 2,04,96,544 equity shares of the Company representing 98.07 % of the Company's Share Capital were dematerialized as on 31st March, 2022.

Unclaimed Dividend-

- All unclaimed /unpaid dividend amounts up to financial year 2013-14, have been transferred to Investor Education & Protection Fund and no claims will lie against the Company or the Fund in respect of the unclaimed amounts so transferred.
- The unclaimed dividend declared in respect of the financial year 2014-15 can be claimed by the shareholders by 25th September, 2022.

OTHER INFORMATION TO THE SHAREHOLDERS

Dividend History for the last 10 years

Financial Year	Dividend Date	Rate	Financial Year	Dividend Date	Rate
2020-21	29.09.2021	64%	2015-16	26.09.2016	20%
2019-20	29.09.2020	145%	2014-15	29.09.2015	10%
2018-19	25.09.2019	122%	2013-14	06.09.2014	10%
2017-18	18.09.2018	66%	2012-13	21.09.2013	10%
2016-17	28.06.2017	63%	2011-12	15.09.2012	35%

Nomination Facility

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

Shares held in Electronic Form

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

Shares held in Physical Form

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

Remittance of Dividend through Electronic Mode

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

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

INDEPENDENT AUDITOR'S REPORT

To the Members of TRL Krosaki Refractories Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of TRL Krosaki Refractories Limited (the "Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

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

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 standalone financial statements.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
   - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
   - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 26 to the standalone financial statements.

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

d) (i)The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

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

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

sd/-

Seema Mohnot
Partner
Membership No.060715
UDIN: 22060715AIWOHK9114

Place: Kolkata
Date: 12 May 2022

Annexure A to the Independent Auditor's Report on Standalone Financial Statements of TRL Krosaki Refractories Limited for the year ended 31 March 2022

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets or both during the year.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) According to the information and explanations given to us, the inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management, at reasonable intervals, during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent clearance of goods has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable to the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given any advances in the nature of loans to any party during the year.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable to the Company.

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

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods And Services Tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, goods and services tax, duty of customs, cess, income tax and other statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities, though there have been slight delays in a few cases of professional tax and tax collected at source.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of provident fund, employees' state insurance, goods and services tax, duty of customs, cess, income tax and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to provident fund, employees' state insurance, goods and service tax, duty of customs, cess, income tax, sales tax, value added tax, or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute except as mentioned below:

Name of the statute	Nature of the dues	Amount in ₹	Period to which amount relates	Forum where dispute is pending
Income tax Act, 1961	Disallowances arising in income tax proceedings	71,35,757	2015-16	Income Tax Appeallate Tribunal
Central Excise Act, 1944	Disallowance of Cenvat Credit (deposits paid Rs. 22,50,728)	3,78,29,702	2000-01, 2003-04 to 2010-11	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Disallowance of Cenvat Credit	82,23,000	1999-2000 and 2001-02	Hon'ble High Court of Madras
Central Excise Act, 1944	Disallowance of Cenvat Credit (deposits paid Rs. 15,00,513)	4,00,13,670	2007-08 and 2008-09	Commissioner (Appeals)
Customs Act,1962	Classification of products under incorrect category (deposits paid Rs. 3,55,65,938)	3,55,65,938	2015-16 to 2020-21	Assistant Commissioner
Customs Act,1962	Classification of products under incorrect category (deposits paid Rs. 3,63,52,509)	3,63,52,509	2015-16 to 2017-18	Central Excise and Service Tax Appellate Tribunal
Customs Act,1962	Classification of products under incorrect category (deposits paid Rs. 4,55,47,418)	4,55,47,418	2011-12 to 2019-20	Commissioner (Appeals)
Finance Act, 1994	Disallowance of credit on outward transportation (deposits paid Rs. 6,71,378)	1,79,43,302	2005-06 to 2008-09	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Disallowance of Cenvat Credit (deposits paid Rs. 2,64,431)	70,51,496	2013- 14 to 2017-18	Commissioner (Appeals)
Central Excise Act, 1944	Disallowance of Cenvat Credit (deposits paid Rs. 12,35,173)	3,46,24,955	2015-16 and 2016-17	Commissioner (Appeals)
Central Excise Act, 1944	Inadmissable Cenvat Credit wrongly availed and utilised (deposits paid Rs. 4,81,500)	1,28,40,008	2016-17	Commissioner (Appeals)
Central Sales Tax Act, 1956	Non submission of Statutory forms (deposits paid Rs. 1,20,26,957)	1,60,37,689	2006-07 to 2008-09	Sales Tax Tribunal
Central Sales Tax Act, 1956	CST demanded on branch transfer (deposits paid Rs. 20,00,000)	1,50,92,299	1994-1995	Hon'ble High Court of Odisha
Central Sales Tax Act, 1956	Non submission of statutory forms (deposits paid Rs. 93,08,973)	1,67,57,445	1987-89, 2009-10 to 2011-12, 2014-15 to 2017-18	Sales Tax Tribunal
Central Sales Tax Act, 1956	Non submission of statutory forms (deposits paid Rs. 40,62,769)	40,62,769	2012-13 to 2013-14	Additional Commissioner of Sales Tax, Appeal
Central Sales Tax Act, 1956	Non submission of statutory forms (deposits paid Rs. 36,98,736)	2,56,99,595	2009-10 to 2010-11	Commissioner

Name of the statute	Nature of the dues	Amount in ₹	Period to which amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Submission of defective forms (deposits paid Rs. 7,50,000)	43,20,734	2005-06	Additional Commissioner
Central Sales Tax Act, 1956	Non submission of Statutory forms	2,00,000	1986-1989	Commissioner of Sales Tax
Odisha Entry Tax Act, 1999	Tax demand on non-scheduled goods (deposits paid Rs. 76,503)	11,47,542	2012-13 to 2013-14	Sales Tax Tribunal
Orissa Value Added Tax Act, 2004	Disallowance of input credit (deposits paid Rs. 21,64,470)	21,64,470	2005-06 to 2006-07	Sales Tax Tribunal
Orissa Value Added Tax Act, 2004	Reversal of input tax credit	26,57,04,686	2007-08 to 2013-14	Hon'ble High Court of Odisha
Gujarat Value Added Tax, 2003	Demand due to incorrect filing by supplier	5,76,32,253	2009-10	Commissioner of Sales Tax
Orissa Value Added Tax Act, 2004	Disallowance of input credit (deposits paid Rs. 144,968)	21,74,520	2014-15	Sales Tax Tribunal
Orissa Value Added Tax Act, 2004	Disallowance of Input tax Credit (deposits paid Rs. 2,32,718)	14,54,489	2015-16 to 2017-18	Sales Tax Tribunal
Jharkhand Value Added Tax Act, 2005	Disallowance of input credit	10,72,640	2015-16	Joint Commissioner (Appeals)
Central Sales Tax Act, 1956	Non submission of Statutory forms	8,84,609	2015-16	Joint Commissioner (Appeals)
Jharkhand Value Added Tax Act, 2005	Disallowance of input credit	3,77,198	2016-17	Deputy Commissioner
Central Sales Tax Act, 1956	Non submission of Statutory forms	7,45,838	2016-17	Deputy Commissioner
Income tax Act, 1961	Disallowances arising in income tax proceedings	8,63,75,844	2012-13	Deputy Commissioner of Income Tax
Income tax Act, 1961	Disallowances arising in income tax proceedings	7,58,35,086	2016-17	Deputy Commissioner of Income Tax
Orissa Irrigation Act	Water rate dispute (including interest)	106,43,41,146	Prior to 1994	Water Resources Department, Government of Odisha
Mines and Minerals (Development and Regulation) Act, 1957	Demand for excess production	10,57,16,048	2000 to 2010	Joint Director of Mines, Government of Odisha,

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purposes for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

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

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)© of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group does not have any CIC.

(xvii) According to the information and explanations given to us and based on our examination of the records, the Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clause 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

sd/-

Seema Mohnot
Partner
Membership No.060715
UDIN: 22060715AIWOHK9114

Place: Kolkata
Date: 12 May 2022

Annexure B to the Independent Auditor's report on the standalone financial statements of TRL Krosaki Refractories Limited for the year ended 31 March 2022

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

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of TRL Refractories Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial controls with reference to Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial controls with reference to Financial Statements

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

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

sd/-

Seema Mohnot
Partner
Membership No.060715
UDIN: 22060715AIWOHK9114

Place: Kolkata
Date: 12 May 2022

STANDALONE BALANCE SHEET AS AT 31 MARCH 2022

Particulars	Note	As at 31 March 2022 ₹	As at 31 March 2021 ₹
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	01(a)	392,65,11,981	300,70,96,585
(b) Capital work-in-progress	01©	65,38,76,879	107,16,64,072
(c) Right-of-use assets	28	16,93,28,798	18,59,26,863
(d) Intangible assets	01(b)	3,91,64,212	3,18,10,033
(e) Financial assets			
(i) Investments	02 & 03	16,07,64,075	16,09,97,075
(ii) Loans	04	22,04,903	76,09,316
(iii) Other financial assets	05	3,70,99,685	4,45,14,859
(f) Non-current tax assets (net)		2,58,09,044	1,52,65,829
(g) Other non-current assets	06	25,42,93,356	25,80,28,701
Total Non-current assets		**526,90,52,933**	**478,29,13,333**
(2) Current assets			
(a) Inventories	07	449,94,33,632	356,60,27,852
(b) Financial assets			
(i) Trade receivables	08	299,01,91,895	237,15,05,637
(ii) Cash and cash equivalents	09	3,73,01,820	1,31,22,819
(iii) Other balances with banks	10	9,674	10,694
(iv) Loans	04	58,74,327	71,40,665
(v) Other financial assets	05	2,86,26,513	1,90,15,767
(c) Other current assets	06	29,37,34,071	31,35,80,161
(d) Assets held-for-sale		3,38,028	2,77,90,085
Total Current assets		**785,55,09,960**	**631,81,93,680**
TOTAL ASSETS		**1312,45,62,893**	**1110,11,07,013**
EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity share capital	11	20,90,00,000	20,90,00,000
(b) Other equity		565,01,39,873	476,66,64,342
Total Equity		**585,91,39,873**	**497,56,64,342**
(2) LIABILITIES			
(i) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	80,28,01,769	101,42,76,750
(ia) Lease liabilities	28	18,19,33,033	19,41,16,397
(b) Provisions	15	45,31,86,819	41,94,34,260
(c) Deferred tax liabilities (net)	30	7,75,18,242	6,71,67,966
Total Non-current liabilities		**151,54,39,863**	**169,49,95,373**
(ii) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	227,24,15,840	107,81,83,655
(ia) Lease liabilities	28	1,54,55,503	1,20,66,541
(ii) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	13(a)	3,79,87,252	2,62,48,180
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	13(b)	298,04,86,608	285,54,19,182
(iii) Other financial liabilities	14	8,35,20,323	23,04,71,989
(b) Other current liabilities	16	17,76,58,962	10,47,20,118
(c) Provisions	15	10,39,81,907	8,74,39,956
(d) Current tax liabilities (net)		7,84,76,762	3,58,97,677
Total Current liabilities		**574,99,83,157**	**443,04,47,298**
TOTAL EQUITY AND LIABILITIES		**1312,45,62,893**	**1110,11,07,013**
Notes forming part of financial statements	(1 - 40)		

As per our report of even date attached

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

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, May 12, 2022

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

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

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

sd/-
M. V. RAO
EVP (Finance) &
CFO
Kolkata, May 12, 2022

sd/-
ASIM K. MEHER
Company Secretary
(ACS:42427)

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

		Note	April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
I	Revenue from operations	17	1923,55,01,406	1423,92,77,264
II	Other income	18	42,12,993	5 ,80,48,439
III	**Total Income (I + II)**		1923,97,14,399	1429,73,25,703
IV	**EXPENSES**			
	(a) Cost of materials consumed	20	803,18,99,410	617,69,95,338
	(b) Purchases of stock-in-trade		309,82,15,891	210,10,82,304
	(c) Changes in inventories of finished goods stock-in-trade and work-in-progress	21	(22,66,70,142)	12,98,35,739
	(d) Employee benefits expense	22	141,23,31,697	130,62,14,272
	(e) Finance costs	23	15,92,16,779	12,41,60,393
	(f) Depreciation and amortisation expense	01 & 28	34,30,51,292	28,93,49,422
	(g) Other expenses	24	509,29,83,096	367,70,78,538
	Total Expenses (IV)		**1791,10,28,023**	**1380,47,16,006**
V	**Profit before exceptional item and tax (III - IV)**		**132,86,86,376**	**49,26,09,697**
VI	**Exceptional Item**	19	**3,64,54,277**	**7,87,97,625**
VII	**Profit before tax (V+VI)**		**136,51,40,653**	**57,14,07,322**
VIII	**Tax Expense**			
	(a) Current tax		32,53,48,986	10,52,44,433
	(b) Taxation for earlier years		—	29,78,009
	(c) Deferred tax		1,17,23,815	1,83,75,862
	Total tax expense	30	**33,70,72,801**	**12,65,98,304**
IX	**Profit for the year (VII-VIII)**		**102,80,67,852**	**44,48,09,018**
X	**Other Comprehensive Income / (loss)**			
	(i) Items that will not be reclassified subsequently to profit and loss			
	(a) Remeasurement loss of defined benefit plans		(1,19,72,860)	(4,16,84,300)
	(b) Fair value changes of investments in equity shares		(2,33,000)	63,17,500
	(ii) Income tax on items that will not be reclassified subsequently to profit and loss		13,73,539	98,00,737
	Total Other comprehensive loss for the year		**(1,08,32,321)**	**(2,55,66,063)**
XI	**Total Comprehensive Income for the year (IX+X)**		**101,72,35,531**	**41,92,42,955**
XII	**Earnings per equity share**			
	Basic and Diluted [Face value of ₹ 10 each] (PY: Face value of ₹ 10 each)	39	49.19	21.28
	Notes forming part of financial statements	(1 - 40)		

As per our report of even date attached

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

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, May 12, 2022

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

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

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

sd/-
M. V. RAO
EVP (Finance) &
CFO
Kolkata, May 12, 2022

sd/-
ASIM K. MEHER
Company Secretary
(ACS:42427)

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

(A) EQUITY SHARE CAPITAL

(Refer Note 11)

As at 31 March 2022 ₹

Particulars	Balance as at 1 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
Equity Share Capital	20,90,00,000	—	20,90,00,000

As at 31 March 2021 ₹

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

(B) OTHER EQUITY

(Refer Note 11)

As at 31 March 2022 ₹

Particulars	Reserve & Surplus			Items of Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Security Premium Reserve	Investment Revaluation Reserve	
Balance as at 1 April 2021	**257,10,79,858**	**142,33,53,424**	**75,73,04,560**	**1,49,26,500**	**476,66,64,342**
Profit for the year	102,80,67,852	—	—	—	**102,80,67,852**
Dividend	(13,37,60,000)	—	—	—	**(13,37,60,000)**
Fair value loss on equity instrument	—	—	—	(2,33,000)	**(2,33,000)**
Remeasurement loss on defined benefit plans	(1,05,99,321)	—	—	—	**(1,05,99,321)**
Balance as at 31 March 2022	**345,47,88,389**	**142,33,53,424**	**75,73,04,560**	**1,46,93,500**	**565,01,39,873**

As at 31 March 2021 ₹

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

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

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

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

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

As per our report of even date attached

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

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, May 12, 2022

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

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

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

sd/-
M. V. RAO
EVP (Finance) &
CFO
Kolkata, May 12, 2022

sd/-
ASIM K. MEHER
Company Secretary
(ACS:42427)

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2022

		April 2021 - March 2022 ₹	April 2020 - March 2021 ₹
A.	**Cash Flow from Operating activities:**		
	Profit before tax	136,51,40,653	57,14,07,322
	Adjustments for :		
	Depreciation and amortisation expense	34,30,51,292	28,93,49,422
	Write back of allowances for credit loss	3,19,64,077	(1,62,74,849)
	Exceptional Item (profit on sale of assets held-for sale)	(3,64,54,277)	(7,87,97,625)
	Dividend income	(52,000)	(2,06,51,141)
	Net gain on sale of property, plant and equipment	(15,95,165)	(30,17,410)
	Interest income	(25,65,828)	(3,43,79,888)
	Finance costs	15,92,16,779	12,41,60,393
	Unrealised gain /(loss)on foreign exchange fluctuation	47,88,882	(36,66,919)
	Operating profit before working capital changes	**186,34,94,413**	**82,81,29,305**
	Adjustments for:		
	(Increase) / decrese in non-current / current financial and other assets	(65,29,37,157)	52,39,33,809
	(Increase) in inventories	(93,34,05,780)	(42,58,65,415)
	Increase in non-current / current financial and other liabilities / provisions	27,99,95,654	60,34,39,967
	Cash generated from operations	**55,71,47,130**	**152,96,37,666**
	Income tax paid (net of refunds)	(29,33,13,116)	(3,83,75,227)
	Net Cash from Operating Activities A	**26,38,34,014**	**149,12,62,439**
B.	**Cash Flow from Investing Activities:**		
	Acquisitions of property, plant and equipment	(98,71,73,666)	(116,10,38,249)
	Proceeds on sale of property, plant and equipment	17,37,227	39,82,198
	Advance against sale of land	—	2 ,74,18,392
	Proceeds from sale of land	3 ,64,87,942	8 ,96,90,410
	Fixed deposits with bank	—	3,40,92,885
	Interest received	31,21,286	3,74,94,766
	Dividend received	52,000	2,06,51,141
	Net Cash used in Investing Activities B	**(94,57,75,211)**	**(94,77,08,457)**
C.	**Cash Flow from Financing Activities:**		
	Proceeds from borrowings	145,31,49,445	59,75,56,361
	Repayment of borrowings	(46,81,20,495)	(81,91,68,977)
	Payment of lease liabilities (including interest)	(2,58,79,863)	(2,34,10,979)
	Proceeds from government grant	2 ,58,88,096	11,92,53,864
	Interest paid	(14,51,56,985)	(10,93,47,582)
	Dividend paid	(13,37,60,000)	(30,30,50,000)
	Net Cash (used in) / from Financing Activities C	**70,61,20,198**	**(53,81,67,313)**
Net increase in cash and cash equivalents (A+B+C)		**2,41,79,001**	**53,86,669**
Opening Cash and Cash equivalents (Refer Note 9)		**1,31,22,819**	**77,36,150**
Closing Cash and Cash equivalents (Refer Note 9)		**3,73,01,820**	**1,31,22,819**

Note:

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

ii) Figures in brackets represent cash outflows.

As per our report of even date attached

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

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, May 12, 2022

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

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

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

sd/-
M. V. RAO
EVP (Finance) &
CFO
Kolkata, May 12, 2022

sd/-
ASIM K. MEHER
Company Secretary
(ACS:42427)

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

NOTE 01

Description	Cost / (Deemed Cost) as at 1 April 2021 ₹	Additions ₹	Deductions ₹	Cost / (Deemed Cost) as at 31 March 2022 ₹	Accumulated Depreciation as at 1 April 2021 ₹	Depreciation for the Year: Additions ₹	Depreciation for the Year: Disposals/ Deductions ₹	Accumulated Depreciation as at 31 March 2022 ₹	Net Carrying Value as at 31 March 2022 ₹
1(a). Property, plant and equipment									
Freehold Land	18,67,412	—	—	18,67,412	—	—	—	—	18,67,412
	(18,67,412)	—	—	(18,67,412)	—	—	—	—	(18,67,412)
Buildings and Roads	119,53,75,243	52,34,75,274	60,51,561	171,27,98,956	22,20,20,596	3,43,95,066	60,51,561	25,03,64,101	146,24,34,855
	(94,44,84,452)	(25,39,98,526)	(31,07,735)	(119,53,75,243)	(19,58,78,012)	(2,92,50,319)	(31,07,735)	(22,20,20,596)	(97,33,54,647)
Plant and Machinery	255,21,57,209	62,97,24,715	11,09,74,145	307,09,07,779	69,71,60,744	22,54,34,875	11,09,58,693	81,16,36,926	225,92,70,853
	(202,54,18,432)	(56,81,52,285)	(4,14,13,508)	(255,21,57,209)	(55,11,03,687)	(18,66,42,296)	(4,05,85,239)	(69,71,60,744)	(185,49,96,465)
Railway Siding	1,34,48,476	—	—	1,34,48,476	86,69,844	14,44,974	—	1,01,14,818	33,33,658
	(1,34,48,476)	—	—	(1,34,48,476)	(72,24,870)	(14,44,974)	—	(86,69,844)	(47,78,632)
Furniture and Fixture	15,30,26,687	3,18,63,455	1,87,994	18,47,02,148	8,69,03,484	1 ,95,87,448	1,87,145	10,63,03,787	7,83,98,361
	(15,15,01,214)	(16,73,669)	(1,48,196)	(15,30,26,687)	(7,28,29,760)	(1,42,20,816)	(1,47,092)	(8,69,03,484)	(6,61,23,203)
Office Equipments	9,84,55,576	3,35,96,138	8,33,677	13,12,18,037	3,60,63,110	2,29,50,009	7,56,228	5,82,56,891	7,29,61,146
	(8,12,51,455)	(2,39,81,768)	(67,77,647)	(9,84,55,576)	(2,51,27,135)	(1,75,78,207)	(66,42,232)	(3,60,63,110)	(6,23,92,466)
Vehicles	6,16,48,172	1,54,55,580	24,15,584	7,46,88,168	1,80,64,412	1,07,45,332	23,67,272	2,64,42,472	4,82,45,696
	(4,90,47,912)	(1,26,00,260)	—	(6,16,48,172)	(83,46,561)	(97,17,851)	—	(1,80,64,412)	(4,35,83,760)
Total Property, plant and equipment	**407,59,78,775**	**123,41,15,162**	**12,04,62,961**	**518,96,30,976**	**106,88,82,190**	**31,45,57,704**	**12,03,20,899**	**126,31,18,995**	**392,65,11,981**
	(326,70,19,353)	**(86,04,06,508)**	**(5,14,47,086)**	**(407,59,78,775)**	**(86,05,10,025)**	**(25,88,54,463)**	**(5,04,82,298)**	**(106,88,82,190)**	**(300,70,96,585)**
1(b). Intangible Assets									
Development of Mines	2,88,33,293	—	—	2,88,33,293	2,66,82,548	10,75,375	—	2,77,57,923	10,75,370
	(2,88,33,293)	—	—	(2,88,33,293)	(2,22,35,457)	(44,47,091)		(2,66,82,548)	(21,50,745)
Software	6,62,50,182	1,58,76,533	—	8,21,26,715	3,65,90,894	74,46,979	—	4,40,37,873	3,80,88,842
	(5,77,52,382)	(84,97,800)	—	(6,62,50,182)	(2,99,70,705)	(66,20,189)	—	(3,65,90,894)	(2,96,59,288)
Total Intangible Assets	**9,50,83,475**	**1,58,76,533**	**—**	**11,09,60,008**	**6,32,73,442**	**85,22,354**	**—**	**7,17,95,796**	**3,91,64,212**
	(8,65,85,675)	(84,97,800)	—	(9,50,83,475)	(5,22,06,162)	(1,10,67,280)	—	(6,32,73,442)	(3,18,10,033)
Total (a+b)	**417,10,62,250**	**124,99,91,695**	**12,04,62,961**	**530,05,90,984**	**113,21,55,632**	**32,30,80,058**	**12,03,20,899**	**133,49,14,791**	**396,56,76,193**
As at 31 March 2021	(335,36,05,028)	(86,89,04,308)	(5,14,47,086)	(417,10,62,250)	(91,27,16,187)	(26,99,21,743)	(5,04,82,298)	(113,21,55,632)	(303,89,06,618)
1(c). Capital work in progress									
Buildings, Plant and Machinery, etc.	107,16,64,072	83,22,04,502	124,99,91,695	65,38,76,879	—	—	—	—	65,38,76,879
	(69,35,32,740)	(124,70,35,640)	(86,89,04,308)	(107,16,64,072)	—	—	—	—	(107,16,64,072)
Total Assets									**461,95,53,072**
									(411,05,70,690)

Note :
(i) Figures in brackets relate to the previous year.
(ii) Development of mines represent expenditure incurred in relation to restoration obligations as per applicable regulations and the same has been amortised over the period of lease.
(iii) No indicator of impairment were identified during the current year, hence Property, Plant and Equipment including Capital Work in Progress were not tested for impairment.
(iv) Property, Plant and Equipment including Capital Work in Progress have been hypothecated as security against certain bank borrowings (Refer Note 12)
(v) Rs.4,40,95,596 (Previous year -Rs.5,16,98,866) of borrowing costs has been capitalised during the year on qualifying assets under additions to Capital Work in Progress using a capitalisation rate of 6.95% (previous year -7.40%)
(vi) Additions to Capital Work in Progress includes finished goods issued for capital projects amounting to Rs. 99,62,977 (Previous year -Rs.2,80,80,836)
(vii) Buildings and Roads, closing gross block Rs. 51,34,01,480 (Previous year - Rs. 35,49,60,416) and net carrying value Rs. 49,28,95,330 (Previous year - Rs. 33,93,55,000) include buildings leased out to employees for residential purposes.
(viii) Incentives amounting to Rs.2,58,88,096 (Previous year - Rs. 11,92,53,864) on account of Export Promotion Capital Goods scheme is adjusted in additions to Capital Work in Progress.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1(c) — Capital work in progress aging

Rupees

Particulars	As at 31 March 2022					As at 31 March 2021				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Projects in progress	10,64,90,643	2,17,85,550	19,09,71,355	33,46,29,331	65,38,76,879	3,70,20,814	28,11,38,047	75,08,32,033	26,73,178	107,16,64,072
(ii) Projects temporarily suspended	—	—	—	—	—	—	—	—	—	—
Total Capital work in progress	**10,64,90,643**	**2,17,85,550**	**19,09,71,355**	**33,46,29,331**	**65,38,76,879**	**3,70,20,814**	**28,11,38,047**	**75,08,32,033**	**26,73,178**	**107,16,64,072**

1(c)— Capital work in progress

Details of capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

Rupees

Name of projects	As at 31 March 2022					As at 31 March 2021				
	To be completed in					To be completed in				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Pollution control and Environment system	—	—	—	—	—	2,04,66,592	—	—	—	2,04,66,592
(ii) Water treatment plant	—	—	—	—	—	3,35,08,211	—	—	—	3,35,08,211
(iii) Dolomite Burnt Brick facility	—	—	—	—	—	1,95,10,729	—	—	—	1,95,10,729
(iv) High Temp Tunnel Kiln	30,82,97,989	—	—	—	30,82,97,989	27,75,76,593	—	—	—	27,75,76,593
(v) Manufacturing facility of AG Refractories	—	—	—	—	—	44,40,34,257	—	—	—	44,40,34,257
(vi) TRL Krosaki Club	—	—	—	—	—	2,70,17,188	—	—	—	2,70,17,188
(vii) Testing facilities -Technology Division	16,80,000	—	—	—	16,80,000	16,80,000	—	—	—	16,80,000
(viii) AL-80 / 90 Slide gate system	—	2,63,31,344	—	—	2,63,31,344	1,56,46,912	—	28,25,602	—	1,84,72,514
(ix) 1600T Electro Screw Press	11,83,878	—	—	—	11,83,878	10,52,000	—	—	—	10,52,000
(x) Dust collector	—	—	—	—	—	4,70,000	—	—	—	4,70,000
(xi) JUQC Mechanism	8,24,668	1,67,34,566	—	—	1,75,59,234	—	—	—	—	—
(xii) Tundish DVM heating & spray machine	7,17,500	—	—	—	7,17,500	—	—	—	—	—
(xii) IT Infrastructure	4,75,000	—	—	—	4,75,000	—	—	—	—	—
(xiv) Tempering Kiln	19,81,71,312	—	—	—	19,81,71,312	—	—	—	—	—
(xv) Auto Batching for Mixer machine	4,32,46,801	—	—	—	4,32,46,801	—	—	—	—	—
(xvi) CO and O2 Analyzer for rotary klin	—	—	—	—	—	,26,73,178	—	—	—	26,73,178
(xvii) Const of 48 nos New C-type House	—	—	—	—	—	3,11,10,395	—	—	—	3,11,10,395
Total	**55,45,97,148**	**4,30,65,910**	**—**	**—**	**59,76,63,058**	**87,47,46,055**	**—**	**28,25,602**	**—**	**87,75,71,657**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

	No. of equity shares	As at 31 March, 2022 ₹	As at 31 March, 2021 ₹
NOTE 02 : Investment in Associates			
Non-Current			
Investments in Associate Companies carried at Cost			
Investment in Equity Instrument (Unquoted)			
a) TRL Krosaki Asia Pte Limited (Face value of SG$ 1 each, fully paid-up)	48,07,584	13,82,61,575	13,82,61,575
b) Almora Magnesite Limited (Face value of ₹ 100 each, fully paid-up)	77,990	77,99,000	77,99,000
Total investments in Associates		**14,60,60,575**	**14,60,60,575**
Aggregate carrying value of unquoted investments		14,60,60,575	14,60,60,575
NOTE 03 : Investments			
Non-Current			
a) **Investment designated at fair value through Other Comprehensive Income**			
Investment in Equity Instrument (Quoted)			
HDFC Bank Limited (Fair Value) (Face Value of ₹ 1 each fully paid up)	10,000	1,47,03,500	1,49,36,500
b) **Investment in Equity Instrument (Unquoted)**			
Tata Construction and Projects Limited* (Face Value of ₹ 10 each fully paid up)	1,44,202	18,42,020	18,42,020
Less : Impairment in value of investment		(18,42,020)	(18,42,020)
*Company is in liquidation.			
Total Investments		**1,47,03,500**	**1,49,36,500**
Aggregate carrying value and market value of quoted investments are as below:			
Carrying value		1,47,03,500	1,49,36,500
Market Value		1,47,03,500	1,49,36,500
Aggregate amount of impairment in value of investment		18,42,020	18,42,020

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

04 Loans	As at 31 March 2022 ₹			As at 31 March 2021 ₹		
Unsecured, considered good	Non-current	Current	Total	Non-current	Current	Total
(a) Loans to employees*	22,04,903	58,74,327	80,79,230	76,09,316	71,40,665	1,47,49,981
Total Loans	**22,04,903**	**58,74,327**	**80,79,230**	**76,09,316**	**71,40,665**	**1,47,49,981**

*It includes Loan to relative of KMP amounting to Rs. 85,000 (previous year Rs. 1,45,000)

05 Other financial assets	As at 31 March 2022 ₹			As at 31 March 2021 ₹		
Unsecured, considered good	Non current	Current	Total	Non current	Current	Total
(a) Security deposits	3,70,99,685	2,45,73,196	6,16,72,881	4,45,14,859	1,69,88,353	6,15,03,212
(b) Interest accrued on deposits	–	14,71,956	14,71,956	–	20,27,414	20,27,414
(c) Derivative assets	–	25,81,361	25,81,361	–	–	–
Total Other financial assets	**3,70,99,685**	**2,86,26,513**	**6,57,26,198**	**4,45,14,859**	**1,90,15,767**	**6,35,30,626**

06 Other assets	As at 31 March 2022 ₹			As at 31 March 2021 ₹		
Unsecured, considered good unless otherwise stated	Non current	Current	Total	Non current	Current	Total
(a) Capital advances	2,68,75,337	–	2,68,75,337	4,33,44,640	–	4,33,44,640
(b) Advance with public bodies *	22,35,17,944	17,87,48,149	40,22,66,093	20,98,42,502	22,39,27,934	43,37,70,436
(c) Other advances (Unsecured, considered good)**	39,00,075	11,49,85,922	11,88,85,997	48,41,559	8,96,52,227	9,44,93,786
(d) Other advances (Unsecured, credit impaired)	1,03,10,919	–	1,03,10,919	1,03,10,919	–	1,03,10,919
Other assets	**26,46,04,275**	**29,37,34,071**	**55,83,38,346**	**26,83,39,620**	**31,35,80,161**	**58,19,19,781**
Less: Allowances for doubtful advances	1,03,10,919	–	1,03,10,919	1,03,10,919	–	1,03,10,919
Total Other assets	**25,42,93,356**	**29,37,34,071**	**54,80,27,427**	**25,80,28,701**	**31,35,80,161**	**57,16,08,862**

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

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

07 Inventories	As at 31 March 2022 ₹	As at 31 March 2021 ₹
(a) Raw materials	291,44,22,484	218,91,82,844
(b) Work-in-progress	21,44,16,802	22,25,18,116
(c) Finished goods	79,62,41,173	73,86,34,878
(d) Stock-in-trade	32,56,65,400	15,84,63,216
(e) Stores and spares	16,69,18,601	17,99,29,970
(f) Loose tools	41,69,627	45,15,797
(g) Fuel	7,75,99,545	7,27,83,031
Total Inventories	**449,94,33,632**	**356,60,27,852**

The value of inventories stated above is after adjustment of Rs. 1,79,27,248 (Previous year - Rs. 1,37,79,443) for write-downs to net realisable value and provision for slow moving and obsolete item is Rs. 3,37,40,297 (Previous year - Rs. 50,78,852).

Finished goods above Includes goods in transit of Rs. 1,96,81,819 (Previous year - Rs. 8,88,31,627)

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

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

08 Trade receivables

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
(a) Unsecured, considered good	312,56,60,614	231,92,12,582
(b) Credit Impaired	–	43,22,265
	312,56,60,614	**232,35,34,847**
Less: Allowance for credit losses	18,55,23,317	15,36,93,680
Total Trade receivables- Billed	**294,01,37,297**	**216,98,41,167**
Total Trade receivables- Unbilled (Unsecured, considered good)	**5,00,54,598**	**20,16,64,470**

There are no receivables which have significant increase in credit risk.

The Company's exposure to customers contributing more than 10% of the outstanding receivables as at March 31, 2022 is Rs. 121,29,15,843 (Previous year - Rs. 84,73,37,367)

The trade receivables from related parties amounting to Rs. 27,42,64,968 (Previous year - Rs. 25,84,66,176) are included in trade receivables. [Refer Note 37(b)]

There are no outstanding debts due from directors or other officers of the Company.

Trade receivables have been hypothecated as security against certain bank borrowings (Refer Note-12)

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

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
Balance at the beginning of the year	15,36,93,680	16,99,68,529
Additions during the year	3,18,29,637	—
Amount utilised during the year	—	(1,62,74,849)
Balance at the end of the year	**18,55,23,317**	**15,36,93,680**

Ageing of trade receivabls- billed

As at 31 March 2022 ₹

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	195,95,97,842	87,96,77,606	18,27,53,071	2,11,20,775	1,38,50,184	6,86,61,136	312,56,60,614
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	–	–	–	–	–	–	–
(iii) Undisputed Trade Receivables — credit impaired	–	–	–	–	–	–	–
(iv) Disputed Trade Receivables — considered good	–	–	–	–	–	–	–
(v) Disputed Trade Receivables — which have significant increase in credit risk	–	–	–	–	–	–	–
(vi) Disputed Trade Receivables — credit impaired	–	–	–	–	–	–	–
Total Trade receivables billed	**195,95,97,842**	**87,96,77,606**	**18,27,53,071**	**2,11,20,775**	**1,38,50,184**	**6 ,86,61,136**	**312,56,60,614**
Less: Allowance for Doubtful Trade Receivable Billed							18,55,23,317
							294,01,37,297
Trade Receivable Unbilled							5,00,54,598
							299,01,91,895

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

As at 31 March 2021 ₹

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	159,18,15,707	52,23,30,055	10,23,62,588	3,06,19,810	83,52,346	6,37,32,076	231,92,12,582
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	–	–	–	–	–	–	–
(iii) Undisputed Trade Receivables — credit impaired	–	–	–	–	–	43,22,265	43,22,265
(iv) Disputed Trade Receivables — considered good	–	–	–	–	–	–	–
(v) Disputed Trade Receivables — which have significant increase in credit risk	–	–	–	–	–	–	–
(vi) Disputed Trade Receivables — credit impaired	–	–	–	–	–	–	–
Total Trade receivables billed	**159,18,15,707**	**52,23,30,055**	**10,23,62,588**	**3,06,19,810**	**83,52,346**	**6 ,80,54,341**	**232 ,35,34,847**
Less: Allowance for doubtful trade receivable -Billed							15,36,93,680
							216,98,41,167
Trade Receivable Unbilled							20,16,64,470
							237,15,05,637

09 Cash and Cash Equivalents

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
(a) Balances with banks	3,71,30,989	1,29,14,742
(b) Cash on hand	1,70,831	2,08,077
Total Cash and cash equivalents	**3,73,01,820**	**1,31,22,819**

10 Other balances with bank

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
(a) Unclaimed dividend*	9,674	10,694
Total Other balances with bank	**9,674**	**10,694**

* Not available for use of the Company.

11 Equity Share Capital

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
Authorised :		
2,50,00,000 Equity Shares of ₹ 10 each (Previous year: 2,50,00,000 Equity Shares of ₹ 10 each)	25,00,00,000	25,00,00,000
	25,00,00,000	**25,00,00,000**
Issued, Subscribed and Fully Paid-up:		
2,09,00,000 Equity Shares of ₹ 10 each (Previous year: 2,09,00,000 Equity Shares of ₹ 10 each)	20,90,00,000	20,90,00,000
Total Equity Share Capital	**20,90,00,000**	**20,90,00,000**

a) Rights, preference and restrictions attached to equity shares

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

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

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

11 Equity Share Capital (Cont...)

b) Reconciliation of Share Capital

	As at 31 March 2022 Number	As at 31 March 2022 ₹	As at 31 March 2021 Number	As at 31 March 2021 ₹
Opening Balance	2,09,00,000	20,90,00,000	2,09,00,000	20,90,00,000
Closing Balance	**2,09,00,000**	**20,90,00,000**	**2,09,00,000**	**20,90,00,000**

c) Shares held by holding company

	As at 31 March 2022 Number	As at 31 March 2022 ₹	As at 31 March 2021 Number	As at 31 March 2021 ₹
Krosaki Harima Corporation - Japan				
Opening Balance	1,62,22,864	16,22,28,640	1,62,22,864	16,22,28,640
Closing Balance	**1,62,22,864**	**16,22,28,640**	**1,62,22,864**	**16,22,28,640**

d) Disclosure of Shareholding of Promoter

Disclosure of Shareholding of Promoter is as follows

Name of the Share holders	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% of total shares	Number of shares	% of total shares
Krosaki Harima Corporation -Japan	1,62,22,864	77.62	1,62,22,864	77.62
Closing Balance	**1,62,22,864**	**77.62**	**1,62,22,864**	**77.62**

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

Name of the Share holders	As at 31 March 2022		As at 31 March 2021	
	Number of Shares held	% of holding	Number of Shares held	% of holding
Krosaki Harima Corporation -Japan (Holding company)	1,62,22,864	77.62	1,62,22,864	77.62
Steel Authority of India Limited	22,03,150	10.54	22,03,150	10.54

f) Other Equity

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
1) Retained earnings		
Balance at the beginning of the year	257,10,79,858	246,12,04,403
Profit for the year	102,80,67,852	44,48,09,018
Dividend	(13,37,60,000)	(30,30,50,000)
Remeasurement loss on defined benefit plans	(1,05,99,321)	(3,18,83,563)
Balance at the end of the year	**345,47,88,389**	**257,10,79,858**

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
2) General Reserve		
Balance at the beginning of the year	142,33,53,424	142,33,53,424
Balance at the end of the year	**142,33,53,424**	**142,33,53,424**

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
3) Securities premium		
Balance at the beginning of the year	75,73,04,560	75,73,04,560
Balance at the end of the year	**75,73,04,560**	**75,73,04,560**

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
4) Investment revaluation reserve		
The details of movement in investment revaluation reserve are as below:		
Balance at the beginning of the year	1,49,26,500	86,09,000
Other comprehensive income/(loss) recognised during the year	(2,33,000)	63,17,500
Balance at the end of the year	**1,46,93,500**	**1,49,26,500**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

11 Equity Share Capital (Cont...)

5) Dividends

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

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
Rs. 6.40 per equity shares (Previous year - Rs. 14.50 per share)	13,37,60,000	30,30,50,000
	13,37,60,000	**30,30,50,000**

After the reporting dates the following dividends were proposed by the board of directors subject to the approval by the shareholders at the annual general meeting.

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
Rs. 15.00 per equity shares (Previous year: Rs 6.40)	31,35,00,000	13,37,60,000
	31,35,00,000	**13,37,60,000**

6) Remeasurement on defined benefit plans

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

12 Borrowings

₹

	As at 31 March 2022			As at 31 March 2021		
	Non-Current	Current	Total	Non-Current	Current	Total
A. Secured Borrowings						
(a) Term Loan*						
From Bank	80,28,01,769	44,19,09,231	124,47,11,000	101,42,76,750	33,80,92,250	135,23,69,000
(b) Loan from Banks**						
(i) Working Capital Demand Loans	—	84,00,00,000	84,00,00,000	—	24,00,00,000	24,00,00,000
(ii) Cash Credit	—	8,90,26,038	8,90,26,038	—	11,95,81,960	11,95,81,960
(iii) Packing Credits	—	40,14,80,571	40,14,80,571	—	28,05,09,445	28,05,09,445
Total Secured Borrowings	**80,28,01,769**	**177,24,15,840**	**257,52,17,609**	**101,42,76,750**	**97,81,83,655**	**199,24,60,405**
B. Unsecured Borrowings						
(a) Loan from banks						
(i) Working Capital Demand Loans	—	45,00,00,000	45,00,00,000	—	10,00,00,000	10,00,00,000
(ii) Packing Credits	—	5,00,00,000	5,00,00,000	—	—	—
Total Unsecured Borrowings	—	50,00,00,000	50,00,00,000	—	10,00,00,000	10,00,00,000
Total Borrowings	**80,28,01,769**	**227,24,15,840**	**307,52,17,609**	**101,42,76,750**	**107,81,83,655**	**209,24,60,405**

*** Term Loan from State Bank of India**

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

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

**** Current Borrowings**

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

Packing credits are repayable within maximum tenure of 180 days.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Trade Payables	As at 31 March 2022 ₹	As at 31 March 2021 ₹
(a) **Total outstanding dues of micro enterprises and small enterprises**		
Creditors for supplies of micro and small enterprises	3,79,87,252	2,62,48,180

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

1. The principal amount remaining unpaid to supplier as at the end of the year	–	–
2. The interest due thereon remaining unpaid to suppliers as at the end of the year	–	–
3. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	–	–
4. The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	–	–
5. The amount of interest accrued and remaining unpaid at the end of each accounting year	–	–
6. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	–	–
(b) **Total outstanding dues of creditors other than micro enterprises and small enterprises**		
(i) Creditors for supplies / services other than micro and small enterprises	262,22,80,895	246,92,59,934
(ii) Creditors for accrued wages and salaries	12,27,87,328	14,12,39,024
(iii) Acceptances	23,54,18,385	24,49,20,224
Total dues of creditors other than micro enterprises and small enterprises	**298,04,86,608**	285,54,19,182

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

Ageing of trade payables

As at 31 March 2022 ₹

Particulars	Not due	Outstanding for following periods from due date of payment: 6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME*	3,58,39,073	16,04,517	1,00,000	4,37,727	5,935	3,79,87,252
(ii) Others	253,31,25,379	30,87,43,841	–	91,49,517	66,80,543	285,76,99,280
(iii) Disputed dues — MSME *	–	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–	–
Total trade payables	**256,89,64,452**	**31,03,48,358**	**1,00,000**	**95,87,244**	**66,86,478**	**289,56,86,532**
Creditors for accrued wages and salaries						12,27,87,328

*MSME as per Micro, Small and Medium Enterprises Development Act, 2006

As at 31 March 2021 ₹

Particulars	Not due	Outstanding for following periods from due date of payment: 6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME*	2,52,34,993	5,69,525	4,37,727	5,935	–	2,62,48,180
(ii) Others	212,29,14,276	57,47,74,494	8,827,482	37,77,750	38,86,156	271,41,80,158
(iii) Disputed dues — MSME *	–	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–	–
Total Trade payables	**214,81,49,269**	**57,53,44,019**	**92,65,209**	**37,83,685**	**38,86,156**	**274,04,28,338**
Creditors for accrued wages and salaries						14,12,39,024

*MSME as per Micro, Small and Medium Enterprises Development Act, 2006

14. Other financial liabilities

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
(a) Interest accrued but not due on borrowings	95,21,934	91,74,431
(b) Unpaid dividends	9,674	10,694
(c) Derivative liabilities	—	17,47,778
(d) Creditors for capital goods	7,39,88,715	21,95,39,086
Total Other financial liabilities	**8,35,20,323**	**23,04,71,989**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

15. Provisions

	As at 31 March 2022			As at 31 March 2021		
	Non current	Current	Total	Non current	Current	Total
	₹	₹	₹	₹	₹	₹
(a) Provision for employee benefits*	27,10,61,624	9,50,87,147	36,61,48,771	23,10,38,954	7,91,25,483	31,01,64,437
(b) Provision for retirement benefits	17,40,35,602	86,69,860	18,27,05,462	18,17,72,982	78,07,000	18,95,79,982
(c) Provision for employee separation compensation	1,60,457	2,24,900	3,85,357	2,99,625	5,07,473	8,07,098
(d) Other provisions**	79,29,136	—	79,29,136	63,22,699	—	63,22,699
Total Provisions	**45,31,86,819**	**10,39,81,907**	**55,71,68,726**	**41,94,34,260**	**8,74,39,956**	**50,68,74,216**

* Provision for employee benefits includes provision for compensated absence, bonus and employee incentives.
** Other provisions include provisions for water cess.

The details of movement in other provisions is as below:

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
Balance at the beginning of the year	63,22,699	63,22,699
Add : Provision recognised during the year	27,00,136	—
Less : Amount utilised during the year	10,93,699	—
Balance at the end of the year	**79,29,136**	**63,22,699**

16. Other current liabilities

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
(a) Advances received from customers	8,88,35,251	3,60,61,742
(b) Advance against sale of land	—	2,74,18,392
(c) Employee recoveries and employer contributions	1,55,36,092	64,42,251
(d) Statutory dues *	7,32,87,619	3,47,97,733
Total Other current liabilities	**17,76,58,962**	**10,47,20,118**

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

17. Revenue from Operations

	April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
(a) Sale of products	1717,24,87,158	1279,00,53,784
(b) Income from sale of services	188,58,95,422	131,48,43,138
(c) Other operating revenue*	17,71,18,826	13,43,80,342
Total Revenue from operations	**1923,55,01,406**	**1423,92,77,264**

* Includes export incentives of Rs. 9,01,44,083 (Previous year Rs. 5,75,22,600) on account of Duty Draw Back and Merchandise Export from India Scheme.

18. Other income

	April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
(a) Dividend income	52,000	2,06,51,141
(b) Net gain on sale of property, plant and equipment	15,95,165	30,17,410
(c) Interest income	25,65,828	3,43,79,888
Total Other income	**42,12,993**	**5,80,48,439**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

19. Exceptional item

	April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
Sale of assets held-for-sale	6,47,62,164	13,77,34,580
Less: Cost of assets held-for-sale	2,74,52,057	5,83,92,785
Less: Cost incurred for sale of assets held-for-sale	8,55,830	5,44,170
Total Exceptional Item	**3,64,54,277**	**7,87,97,625**

In the current year remaining 42.02 acre of land situated at Vizag was sold for a profit of Rs. 3,64,54,277 land has been shown as exceptional item.

20. Cost of materials consumed

Opening stock	218,91,82,844	162,72,21,090
Add: Purchases	875,71,39,050	673,89,57,092
	1094,63,21,894	836,61,78,182
Less: Closing stock	291,44,22,484	218,91,82,844
Cost of materials consumed	**803,18,99,410**	**617,69,95,338**

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

Inventories at the end of the year		
Finished goods	79,62,41,173	73,86,34,878
Stock-in-trade	32,56,65,400	15,84,63,216
Work-in-progress	21,44,16,802	22,25,18,116
Total Inventories at the end of the year	**133,63,23,375**	**111,96,16,210**
Inventories at the beginning of the year		
Finished goods	73,86,34,878	94,26,03,505
Stock-in-trade	15,84,63,216	11,63,80,899
Work-in-progress	22,25,18,116	21,85,48,381
Total Inventories at the beginning of the year	**111,96,16,210**	**127,75,32,785**
Changes in stock of finished goods, stock-in-trade and work-in-progress	**21,67,07,165**	**(15,79,16,575)**
Add: Finished goods issued for capital projects reclassified to Capital work-in-progress	99,62,977	2,80,80,836
Total Changes in stock of finished goods, stock-in-trade and work-in-progress	**22,66,70,142**	**(12,98,35,739)**

22. Employee benefits expenses

(a) Salaries, wages and bonus	121,73,50,221	113,85,54,006
(b) Contribution to provident and other funds	12,97,05,412	11,54,23,232
(c) Staff welfare expenses	6,52,76,064	5,22,37,034
Total Employee benefits expense	**141,23,31,697**	**130,62,14,272**

23. Finance costs

(a) Interest expense		
(1) Interest on fixed loans	15,69,46,683	13,12,35,410
(2) Interest on other loans	3,04,35,901	2,85,54,262
(3) Interest on lease liabilities	1,37,12,291	1,38,52,087
(b) Other borrowing costs	22,17,500	22,17,500
Less: Interest capitalised	4,40,95,596	5,16,98,866
Total Finance costs	**15,92,16,779**	**12,41,60,393**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

24 Other Expenses

		April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
(a)	Stores and spares consumed	33,19,22,865	26,53,27,659
(b)	Repairs to buildings	16,37,18,511	24,16,59,370
(c)	Repairs to machinery	29,72,26,814	28,67,20,831
(d)	Contractors charges for refractories management	35,94,19,813	30,34,57,718
(e)	Fuel consumed	130,10,35,957	74,10,46,379
(f)	Purchase of power	27,99,53,795	23,10,70,783
(g)	Conversion and processing charges	31,74,72,473	21,56,03,733
(h)	Freight and handling charges	120,33,70,161	87,70,31,114
(i)	Rent (refer note-28)	4,54,02,881	3,78,26,806
(j)	Royalty	8,30,67,747	6,41,29,414
(k)	Rates and taxes	2,61,37,574	1,65,97,342
(l)	Insurance charges	2,70,71,187	2,11,11,830
(m)	Commission expenses	10,41,24,542	8,05,62,971
(n)	Net loss on foreign currency transactions	4,35,68,268	69,77,165
(o)	Legal and other professional costs	16,77,61,590	14,57,37,044
(p)	Travelling expenses	6,33,31,972	3,95,75,681
(q)	Others (Refer note below)	27,83,96,946	10,26,42,698
Total Other expenses		**509,29,83,096**	**367,70,78,538**

Note:

Other includes:

(i)	Payment to Auditors :		
	a) Services as Auditors (including for audit in terms of Section 44AB of the Income Tax Act,1961 Rs. 3,00,000 [(Previous Year Rs. 3,00,000)]	32,50,000	32,50,000
	b) Fees for other services	50,000	14,32,500
	c) Out-of pocket expenses	35,320	1,17,095
		33,35,320	**47,99,595**
(ii)	Cost audit fees [Including expenses Rs. Nil (Previous year: Rs.3,000)]	1,25,000	1,28,000

(iii) Revenue expenditure charged to statement of profit and loss in respect of Corporate Social Responsibility (CSR) activities undertaken during the year is Rs.2,10,71,292 [Previous year: Rs.2,24,36,814].

Amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities as per section 135 of the Companies Act, 2013 was Rs. 2,06,78,168 (Previous year: Rs. 2,23,76,534).

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

(iv) Details of corporate social responsibility (CSR) expenditure

(i)	Sanitation	—	13,50,535
(ii)	Sports	1,25,638	3,49,737
(iii)	Ethnicity	1,95,097	12,56,949
(iv)	Drinking Water & Sanitation	5,39,712	4,31,228
(v)	Sustainable Livelihood	12,65,031	13,25,822
(vi)	Health Care	18,81,892	60,01,497
(vii)	Environment	22,80,919	20,42,522
(viii)	Education	31,02,886	51,25,126
(ix)	Infrastructure	1,15,77,105	44,48,595
(x)	Admin Expenses	1,03,012	1,04,803
Total CSR expenses		**2,10,71,292**	**2,24,36,814**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 25 ACCOUNTING POLICIES

1) Company Information

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

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

The financial statements as at 31 March 2022 present the financial position of the Company.

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

As at 31 March 2022, Krosaki Harima Corporation owns 77.62% of the equity shares of the Company and has the ability to influence the Company's operations. Nippon Steel Corporation (Formerly known as Nippon Steel & Sumitomo Metal Corporation) is having significant influence over the Krosaki Harima Corporation.

The financial statements for the year ended March 31, 2022 were approved for issue in accordance with the resolution of the Board of Directors on 12th May,2022.

2) Significant Accounting Policies

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

a) Statement of Compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act,2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time and other relevant provision of the Act.

b) Basis of Preparation

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

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

c) Use of estimates and critical accounting judgements

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

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

Significant judgements and estimates relate to the following-

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

ii. provision for employee benefits and other provisions; and

iii. commitments and contingencies and measurement of fair values.

iv. valuation of deferred tax assets / liabilities

d) Impact of COVID-19 (pandemic)

The Company has taken into account all the possible impacts of COVID-19 in preparation of these standalone financial statements, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition, impact on leases and impact on effectiveness of its hedges. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these standalone financial statements and believes that the impact of COVID-19 is not material to these standalone financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements owing to the nature and duration of Covid-19.

e) Impact of the Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

f) Property, plant and equipment

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Property, plant and equipment are stated at cost or deemed cost applied on transition to Ind AS, less accumulated depreciation and impairment, if any. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as a part of cost of qualifying asset.

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

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

g) Intangible assets

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

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

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

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

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

Freehold Land is not depreciated.

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

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

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

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

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

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

i) Impairment

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

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

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

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

j) Leases

The Company determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to control the use of that asset to the Company in return of payment.

The Company as lessee

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

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

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

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

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

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

The Company as lessor

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

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

k) Investment in associates

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

l) Financial Instruments

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Effective interest method

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

I. Financial assets

Cash and bank balances

Cash and bank balances consist of:

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

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

Financial assets at amortised cost

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

Financial assets measured at fair value

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

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

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

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

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

Impairment of financial assets

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

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

De-recognition of financial assets

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

ii. Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial Liabilities

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

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Offsetting

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

Derecognition of financial liabilities

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

Derivative financial instruments and hedge accounting

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange fluctuations. The instruments are confined principally to forward foreign exchange contracts. The instruments are employed as hedges of transactions included in the financial statements of for highly probable forecast transactions / firm contractual commitments. The derivatives contracts do not generally extend beyond six months.

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

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

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

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

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

m) Employee benefits

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

Short-term employee benefits

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

Defined contribution plans

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

Defined benefit plans

Post Retirement Gratuity

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

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

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Post-Retirement Medical Benefit

The company has a policy to give medical benefit to the retired employees at its own hospital at Belpahar not exceeding the amount of expense defined in its medical policy. The obligation of this service is measured and recognized based on actuarial valuation at the present value of the obligation as on the reporting date. Re-measurement gains and losses of the net defined benefit liability / (asset) are recognised immediately in Other Comprehensive Income. The service cost and net interest on the net defined benefit liability / (asset) is recognised as an expense within employment costs.

Pension to Directors

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

Other Long-term benefits

Compensated absences

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

Employee Separation Scheme

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

n) Inventories

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

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

ii. **Finished goods**

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

iii. **Work in Progress**

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

iv. **Stock-in-trade**

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

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

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

o) Cash Flow Statement

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

p) Non-Current assets held for sale

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

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

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

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

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

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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

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

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

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

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

r) Income taxes

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

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

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

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

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

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

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

s) Revenue recognition

The Company manufactures and sells a range of refractories and provides installation and maintenance services

Sale of products

Revenue from sale of products is recognized when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific locations as the case may be, the risk of loss has been transferred, and either the customer has accepted the products in accordance with the sales contracts, or the Company has objective evidence that all criteria for acceptance have been satisfied.

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

Interest Income

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

Dividend Income

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

Rental Income

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

Commission Income

Commission income is recognised when the services have been rendered.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Export incentives

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

t) Government Grants

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

u) Foreign currency transactions and translation

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

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

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

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

v) Borrowing Costs

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

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

w) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 - Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 - Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 - Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 - Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 - Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

x) Earnings per share

Basic earnings per equity share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

26 Contingent Liabilities

Contingent liabilities in respect of –	As at 31 March 2022	As at 31 March 2021
Claims against the Company not acknowledged as debts in respect of –		
– Income tax matters	8,43,65,919	71,35,757
– Sales tax / value added tax / entry tax matters	8,34,80,121	9,11,91,837
– Excise duty and service tax matters	9,43,62,291	9,43,62,291
– Other matters (Refer Below)	10,81,23,251	10,81,23,251

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

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

Income Tax:

The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. These are mainly for transfer pricing issues and disallowance of expenses claimed by the Company as deductions. Most of these disputes and/or dis-allowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years. As at March 31, 2022, there are matters and/or disputes pending in appeal amounting to Rs. 8,43,65,919 (Previous Year - Rs. 71,35,757).

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

The Company has demands that are being contested by the Company in different years amounting to Rs. 17,78,42,412 (Previous Year - Rs. 18,55,54,128). These are mainly for non submission of concessional forms.

Demand by Mining Officer:

The Dy. Director Mines, Sambalpur circle, had raised a demand of Rs. 5.39 Cr on 26.08.2019 for excess production of Quartzite in Chuinpalli mines and the Mining Officer, Cuttack circle has raised a demand for Rs. 5.17 Cr on 15.09.2020 for excess production of fireclay in Talbasta mines, during the period from 2000 to 2010 under section 21(5) of MMDR Act, 1957, based on the common cause judgment dated 2nd August, 2017 of Hon'ble Supreme Court of India. The Company challenged the said demands of Mining Department, Govt. of Odisha through a two different Writ petitions against two notices before the Hon'ble High Court of Orissa, Cuttack. The Company is of the view that, the demand under Section 21(5) of the MMDR Act is not applicable because the impugned demand is based on the judgement of Hon'ble Supreme Court of India in the case of Common Cause vrs. Union of India reported in (2017) 9 SCC 499. The decision referred in the Supreme Court Order was intended to deal with mining leases of Iron Ore and Manganese Ore in the districts of Keonjhar, Sundergarh and Mayurbhanj and has no application to the facts of the case. Moreover, the mining officer has not conducted any enquiry on illegal mining of the Company. Based on the legal opinion obtained by the Company and as per the management assessment, the Company is of the view that it has a strong case to contest on merit and there will not be any outflow of resources by the Company. On 11 January, 2021 the Hon'ble High Court of Odisha has disposed of the Writ Petition filed for Talbasta Mines for an amount of Rs. 5.17 Cr with a direction to challenge the impugned demand notice as per Rule 46(1) of the Orissa Minor Mineral Concession Rules, 2016 and take all grounds before the appellate authority. Accordingly, Company has filed an appeal before Joint Director of Mines, Government of Odisha, Bhubaneswar under Rule 46(1) of Odisha Minor Mineral Concession Rules, 2016 and the matter is pending for hearing.

Other Claims

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

Water Rate Dispute

The Company has been drawing water from Lilhari Nullha, a natural water stream. Up to 1994, as per the Orissa Irrigation Act, the water rate was payable for drawing water from irrigation work. Natural water streams like Lilhari Nullha were not covered in the definition of irrigation work, as given in Section 4(9) of the Act. Definition of 'government water source' was inserted in Section 4(6-a) of the Act in 1994, which covers natural water sources like Lilhari Nullha, and the Company has been paying water rate since then. However, the Government of Odisha demanded an amount of Rs. 57,77,600 towards water rate and penalty for the period prior to 1994 which has been stayed by the Hon'ble High Court of Odisha. Water Resources Department, Government of Odisha, has been charging monthly compounded interest @ 2% on the disputed amount and the total interest charged up to 31 March 2022 is Rs. 105,85,63,546. The total disputed demand, together with interest as on 31 March 2022 is Rs. 106,43,41,146. Hon'ble High Court of Odisha has stayed charging of monthly compound interest of 2% and passed an order that compound interest @ 2% will not be allowed to charge until further orders. During the previous year, the Hon'ble High Court of Odisha has directed the Government of Odisha and the Company to negotiate and settle the dispute inline with the settlements made by the Government of Odisha with other companies. Based on the legal opinion obtained by the Company and as per the management assessment, the Company is of the view that it has a strong case to contest on merit and there will

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

not be any material outflow of resources by the Company." The earlier water agreement was ended on 28.02.2022, accordingly, after discussions with the officials of Water Resource Department, Company has deposited Rs. 25,00,000 under protest and renewed the water agreement for another 3 years w.e.f. 01.03.2022 to 28.02.2025.

27 Commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for, net of advances paid Rs. 27,43,53,972 (Previous Year - Rs. 38,43,75,737). Estimated amount of export obligations to be fulfilled in respect of assets imported under Export Promotion Capital Goods Scheme (EPCG) – Rs. 57,39,31,602 (Previous year-Rs. 70,82,64,570).

28 Company as a Lessee

Following are the changes in the carrying value of right-of- use assets for the year ended March 31, 2022.

	Buildings	
Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Opening gross block	22,05,19,267	203,204,645
Additions	33,73,170	3,14,71,464
Deletion	–	1,41,56,842
Closing gross block at the end of the year	**22,38,92,437**	**22,05,19,267**
Opening accumulated depreciation	**3,45,92,404**	**1,87,11,055**
Additions	1,99,71,235	1,94,27,679
Deletion	–	35,46,330
Closing accumulated depreciation at the end of the year	5,45,63,639	3,45,92,404
Closing balance as of March 31, 2022	**16,93,28,798**	**18,59,26,863**

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

The following is the break-up of current and non-current lease liabilities as at March 31, 2022

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Current lease liabilities	1,54,55,503	1,20,66,541
Non-current lease liabilities	18,19,33,033	19,41,16,397
Total	**19,73,88,536**	**20,61,82,938**

The following is the movement in lease liabilities during the year ended March 31, 2022.

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Balance at the beginning of the year	20,61,82,938	19,54,05,204
Additions	33,73,170	3,14,71,464
Finance cost accrued during the year	1,37,12,291	1,38,52,087
Deletion	–	1,11,34,838
Payment of lease liabilities	2,58,79,863	2,34,10,979
Balance at the end of the year	**19,73,88,536**	**20,61,82,938**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Less than one year	2,85,16,672	2,58,68,121
One to five years	12,67,79,743	12,81,90,011
More than five years	13,14,83,306	15,49,82,179
Total	**28,67,79,721**	**30,90,40,311**

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

The Company incurred Rs. 4,54,02,881 (previous year Rs. 3,78,26,806) towards expenses relating to short term leases and leases of low value assets.

The total cash outflow for leases is Rs. 7,12,82,744 (previous year Rs. 6,12,37,785) including cash outflow for short term and leases of low value assets.

Company as a Lessor

Company has leased out buildings to its employees and has also provided leased accommodation to its employees for residential purposes. There is no such long term contracts with employees for the above leasing. The total rental income with respect to above leasing activities amounts to Rs.1,86,83,825 (previous year Rs.1,82,42,871) included in note 17(c).

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

29 Employee Benefits

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

(1) Defined Contribution Plan

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

a) Provident Fund and Employees Pension Fund

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

b) Superannuation Fund

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

c) Other funds

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

d) Expenses recognized in respect of above

The Company has recognized, in the Statement of Profit and Loss account for the year ended 31 March 2022, an amount of Rs. 9,78,09,882 (Previous Year: Rs. 8,97,81,612) being expenses under the defined contribution plans like Provident Fund, Superannuation fund, Employee pension scheme, Employee State Insurance Scheme and Her Majesty's Revenue and Customs (UK).

(2) Defined Benefit Plans

The Company operates post retirement defined benefit plans as follows:

a) Funded

(i) Post Retirement Gratuity

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

b) Unfunded:

(i) Post Retirement Medical Benefits

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

(ii) Pension to Directors

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

		April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
c) i)	**Details of the Post Retirement Gratuity plan are as follows:**		
I.	**Change in present value of defined benefit obligation during the year**		
1.	Present Value of defined benefit obligation as at the beginning of the year	38,40,86,595	33,43,03,407
2.	Current Service Cost	2,75,34,760	2,24,57,170
3.	Interest Cost on the defined benefit obligation	2,28,47,130	2,13,52,840
4.	Actuarial (gains)/ losses - Experience	(52,30,650)	1,52,84,110
5.	Actuarial losses - Financial Assumptions	(2,26,830)	2,35,86,690
6.	Benefits paid from plan assets	(2,59,81,500)	(3,28,97,622)
7.	Closing Present Value of defined benefit obligation	**40,30,29,505**	**38,40,86,595**
II.	**Change in fair value of plan assets during the year**		
1.	Fair Value of assets at the beginning of the year	32,04,65,512	31,24,01,294
2.	Interest Income on Plan Assets	2,10,38,950	2,10,29,210
3.	Employer contributions	5,00,00,000	2,00,00,000
4.	Return on plan assets greater than discount rate	–	(67,370)
5.	Benefits paid	(2,59,81,500)	(3,28,97,622)
6.	Fair Value of Plan assets at the end of current year	**36,55,22,962**	**32,04,65,512**
III.	**Net liability recognized in the balance sheet**		
1.	Fair value of plan assets	36,55,22,962	32,04,65,512
2.	Present value of obligation	40,30,29,505	38,40,86,595
3.	Amount recognized in the balance sheet	3,75,06,543	6,36,21,083
IV.	**Expense recognized in the statement of profit and loss for the year**		
1.	Current service cost	2,75,34,760	2,24,57,170
2.	Net interest on net defined benefit liability	18,08,180	3,23,630
3.	Total expenses included in employee benefits expense	2,93,42,940	2,27,80,800
V.	**Recognized in other comprehensive income for the year**		
1.	Actuarial (gains)/ losses due to defined benefit obligation experience	(52,30,650)	1,52,84,110
2.	Actuarial loss due to defined benefit obligation financial assumption changes	(2,26,830)	2,35,86,690
3.	Return on plan assets greater than discount rate	–	67,370
4.	Actuarial loss recognized in other comprehensive income	(54,57,480)	3,89,38,170
VI.	**Maturity profile of defined benefit obligation**		
1.	Within the next 12 months (next annual reporting period)	4,27,47,090	3,41,70,720
2.	Between 2 and 5 years	14,08,96,450	16,68,26,460
3.	Between 6 and 10 years	23,10,87,540	18,64,04,260
4.	The weighted average duration of the defined benefit obligation at the end of the reporting period is 8 years (31 March 2021: 8 years)		
VII.	**Quantitative sensitivity analysis for significant assumption is as below**		
1.	**Increase/ (decrease) on present value of defined benefits obligation at the end of the year**		
(I)	One percentage point increase in discount rate	(3,14,55,470)	(3,08,74,960)
(ii)	One percentage point decrease in discount rate	3,66,85,300	3,60,46,530
(i)	One percentage point increase in rate of salary increase	3,58,00,100	3,51,70,980
(ii)	One percentage point decrease in rate of salary increase	(3,13,36,880)	(3,07,56,950)

2. Sensitivity Analysis Method

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

3. Expected Employer Contribution for the period ending 31 March 2023 is Rs. 3,80,00,000

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

VIII. Investment Details

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

	April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
IX. Assumptions		
a. Discount rate (per annum)	**6.50%**	6.00%
b. Rate of escalation in salary (per annum)	**8.00%**	7.50%

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

Description	April 2021 to March 2022 ₹		April 2020 to March 2021 ₹	
	Medical	Ex-MD Pension	Medical	Ex-MD Pension
I. Reconciliation of opening and closing balances of obligation				
1. Present Value of defined benefit obligation as at the beginning of the year	8,16,13,546	4,43,45,355	7,54,10,818	4,39,26,705
2. Current Service Cost	12,97,520	—	10,38,960	—
3. Interest Cost on the defined benefit obligation	47,97,380	25,52,590	50,25,650	28,60,820
4. Actuarial (gains)/ losses - Experience / demographic	1,49,19,460	35,62,280	(44,38,240)	(19,91,200)
5. Actuarial losses- Financial Assumptions	(58,41,260)	47,89,860	64,89,740	26,85,830
6. Benefits paid directly by the Company	(32,23,710)	(36,14,100)	(19,13,382)	(31,36,800)
7. Closing Present Value of defined benefit obligation	**9,35,62,936**	**5,16,35,985**	**8,16,13,546**	**4,43,45,355**
II. Expense recognized in the statement of profit and loss for the year				
1. Current service cost	12,97,520	—	10,38,960	—
2. Net interest on net defined benefit liability	47,97,380	25,52,590	50,25,650	28,60,820
3. Total expenses included in employee benefits expense	**60,94,900**	**25,52,590**	**60,64,610**	**28,60,820**
III. Recognized in other comprehensive income for the year				
1. Actuarial (gain)/ loss due to defined benefit obligation experience	1,49,19,460	35,62,280	(44,38,240)	(19,91,200)
2. Actuarial loss due to defined benefit obligation financial assumption changes	(58,41,260)	47,89,860	64,89,740	26,85,830
3. Actuarial (gains)/ losses recognized in other comprehensive income	**90,78,200**	**83,52,140**	**20,51,500**	**6,94,630**
IV. Assumptions				
a. Discount rate (per annum) at the beginning of the year	6.00%	6.00%	6.75%	6.75%
b. Discount rate (per annum) at the end of the year	6.50%	6.50%	6.00%	6.00%
c. Rate of pension increase	—	8.00%	—	8.00%
d. Medical costs inflation rate	4.00%	—	4.00%	—
e. Average Medical Cost (Rs./ person)	1,930	—	1,855	—
V. Quantitative sensitivity analysis for significant assumption is as below				
Increase/(decrease) on present value of defined benefits obligation at the end of the year				
(i) One percentage point increase in discount rate	(1,00,38,280)	(40,71,990)	(84,51,480)	(35,21,610)
(ii) One percentage point decrease in discount rate	1,23,40,160	46,63,710	1,03,47,420	40,50,580
(i) One percentage point increase in medical inflation rate	1,20,99,050	—	16,92,150	—
(ii) One percentage point decrease in medical inflation rate	(99,98,720)	—	(14,70,880)	—
(i) One percentage point increase in pension rate	—	42,13,180	—	39,31,140
(ii) One percentage point decrease in pension rate	—	(37,55,840)	—	(34,90,870)
VI. Maturity profile of defined benefit obligation				
1. Within the next 12 months (next annual reporting period)	53,77,560	35,63,360	50,14,270	30,26,360
2. Between 2 and 5 years	2,44,06,160	1,56,56,920	2,15,58,780	1,28,45,880
3. Between 6 and 10 years	3,48,54,820	2,22,10,710	2,95,32,900	1,70,27,410
VII. Weighted Average Duration of defined benefit obligation	12 years	9 years	12 years	9 years

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

d) Risk exposure

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

30 Income Taxes

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

Particulars	**April 2021 to March 2022** ₹	April 2020 to March 2021 ₹
Profit before tax	136,51,40,653	57,14,07,322
Less: Expenses recognized in other comprehensive income	1,19,72,860	4,16,84,300
Adjusted Profit before tax (A)	**135,31,67,793**	**52,97,23,022**
Tax rate (B)	25.168%	25.168%
Tax expense (A*B)	**34,05,65,270**	**13,33,20,690**
Add: Tax effect of expenses that are not deductible for tax purposes: CSR Expenses	53,03,644	56,47,346
Add: Taxation for earlier years	–	29,78,009
Less: Tax effect of Income exempt from tax: Dividend Income	13,088	(51,97,892)
Add: Additional tax expense (deferred tax expense) due to change in tax rate	–	–
Less: Tax effect on exceptional item	(91,72,461)	(1,98,33,363)
Less: Other differences	(10,10,279)	(1,17,223)
Income tax expense charged to the Statement of Profit and Loss	**33,56,99,262**	**11,67,97,567**
Tax expense recognized in profit and loss	33,70,72,801	12,65,98,304
Income tax expenses recognized in Other Comprehensive Income	(13,73,539)	(98,00,737)
Income tax expense charged to the Statement of Profit and Loss	**33,56,99,262**	**11,67,97,567**

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

Deductible temporary difference	**Balance sheet**		**Statement of profit and loss**		**Other comprehensive income**	
	As at 31 March 2022 ₹	As at 31 March 2021 ₹	April 2021 to March 2022 ₹	April 2020 to March 2021 ₹	April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
(i) Expense/ provision allowed on payment basis	6,89,63,404	7,14,43,270	(38,53,404)	68,08,799	13,73,539	98,00,737
(ii) Unpaid Royalty	1,34,84,260	77,55,353	57,28,907	(1,31,78,381)	—	—
(iii) Friendly departure scheme	5,60,018	9,28,995	(3,68,977)	(5,13,212)	—	—
(iv) Others	3,91,05,082	2,43,77,589	1,47,27,493	(17,45,109)	—	—
Total (A)	**12,21,12,764**	**10,45,05,207**	**1,62,34,019**	**(86,27,903)**	**13,73,539**	**98,00,737**
Taxable temporary difference						
Property, Plant and Equipment	19,96,31,006	17,16,73,173	2,79,57,833	97,47,959	—	—
Total (B)	**19,96,31,006**	**17,16,73,173**	**2,79,57,833**	**97,47,959**	—	—
Deferred Tax liability (B-A)	**7,75,18,242**	**6,71,67,966**	**1,17,23,814**	**1,83,75,862**	**(13,73,539)**	**(98,00,737)**

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

* The total income tax expenses recognised in the Statement of Profit and Loss under Other Comprehensive income is inclusive of deferred tax release of Rs. 13,73,539 (Previous year - Rs. 98,00,737)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

c. **Reconciliation of deferred tax liability**

Particulars	As at 31 March 2022 ₹	As at 31 March 2021 ₹
Opening balance as at 1 April	6,71,67,966	5,85,92,841
Less: Deferred tax release during the year	1,03,50,276	85,75,125
Closing balance as at 31 March	7,75,18,242	6,71,67,966

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

Particulars	Balance as at 1 April 2021	Cash Flows	Non-Cash Changes	Balance as at 31 March 2022
Borrowings	209,24,60,405	98,50,28,950	(22,71,745)	307,52,17,610
Lease liabilities	20,61,82,938	(2,58,79,863)	1,70,85,461	19,73,88,536
Total Liabilities from financing activities	**229,86,43,343**	**95,91,49,087**	**1,48,13,716**	**327,26,06,146**
Particulars	**Balance as at 1 April 2020**	**Cash Flows**	**Non-Cash Changes**	**Balance as at 31 March 2021**
Borrowings	233,16,79,996	(22,16,12,616)	(1,76,06,975)	209,24,60,405
Lease liabilities	19,54,05,204	(2,34,10,979)	3,41,88,713	20,61,82,938
Total Liabilities from financing activities	**252,70,85,200**	**(24,50,23,595)**	**1,65,81,738**	**229,86,43,343**

32 Financial Instruments

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

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

(a) Financial Instruments by Category

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

As at 31 March 2022

Particulars	Amortised cost ₹	Fair value through other comprehensive income ₹	Derivative instruments ₹	Total Carrying Value ₹	Total Fair Value ₹
Financial assets					
Trade receivables	299,01,91,895	—	—	299,01,91,895	299,01,91,895
Investments	—	1,47,03,500	—	1,47,03,500	1,47,03,500
Cash and bank balances	3,73,11,494	—	—	3,73,11,494	3,73,11,494
Loans	80,79,230	—	—	80,79,230	80,79,230
Other financial assets	6,31,44,837	—	25,81,361	6,57,26,198	6,57,26,198
Total	**309,87,27,456**	**1,47,03,500**	**25,81,361**	**311,60,12,317**	**311,60,12,317**
Financial liabilities					
Borrowings	307,52,17,609	—	—	307,52,17,609	307,52,17,609
Trade payables	301,84,73,860	—	—	301,84,73,860	301,84,73,860
Lease liabilities	19,73,88,536	—	—	19,73,88,536	19,73,88,536
Other financial liabilities	8,35,20,323	—	—	8,35,20,323	8,35,20,323
Total	**637,46,00,328**	**—**	**—**	**637,46,00,328**	**637,46,00,328**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

As at 31 March 2021

Particulars	Amortised cost ₹	Fair value through other comprehensive income ₹	Derivative instruments ₹	Total Carrying Value ₹	Total Fair Value ₹
Financial assets					
Trade receivables	237,15,05,637	—	—	237,15,05,637	237,15,05,637
Investments	—	1,49,36,500	—	1,49,36,500	1,49,36,500
Cash and bank balances	1,31,33,513	—	—	1,31,33,513	1,31,33,513
Loans	1,47,49,981	—	—	1,47,49,981	1,47,49,981
Other financial assets	6,35,30,626	—	—	6,35,30,626	6,35,30,626
Total	**246,29,19,757**	**1,49,36,500**	**—**	**247,78,56,257**	**247,78,56,257**
Financial liabilities					
Borrowings	209,24,60,405	—	—	209,24,60,405	209,24,60,405
Trade payables	288,16,67,362	—	—	288,16,67,362	288,16,67,362
Lease liabilities	20,61,82,938	—	—	20,61,82,938	20,61,82,938
Other financial liabilities	22,87,24,211	—	17,47,778	23,04,71,989	23,04,71,989
Total	**540,90,34,916**	**—**	**17,47,778**	**541,07,82,694**	**541,07,82,694**

(b) Fair value hierarchy

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

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

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

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

As at 31.03.2022

Particulars	Carrying Amount Level 1 ₹	Level 2 ₹	Fair Value Level 3 ₹	 ₹
Financial assets				
Investment - Equity share (HDFC Bank)	1,47,03,500	1,47,03,500	—	—
Financial liabilities				
Derivative liabilities - forward cover	25,81,361	—	25,81,361	—
As at 31 March 2021				
Financial assets				
Investment - Equity share (HDFC Bank)	1 ,49,36,500	1,49,36,500	—	—
Financial liabilities				
Derivative liabilities - forward cover	17,47,778	—	17,47,778	—

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

(c) Financial Risk Management Policies And Objectives:

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

Market risk

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

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

Interest rate risk

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

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

Foreign currency risk

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

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

Liquidity Risk

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

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

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

Particulars	Carrying Value	Contractual Cash flow	Less than one year	Between one to five years	More than five years
Non derivative financial liabilities					
Borrowings including interest obligations	307,52,17,609	330,31,51,216	244,64,67,957	85,66,83,259	—
	209,24,60,405	*234,86,04,274*	*121,21,97,954*	*113,64,06,320*	—
Trade payables	301,84,73,860	301,84,73,860	301,84,73,860	—	—
	288,16,67,362	*288,16,67,362*	*288,16,67,362*	—	—
Lease liabilities	19,73,88,536	28,67,79,721	2,85,16,672	12,67,79,743	13,14,83,306
	20,61,82,938	*30,90,40,311*	*2,58,68,121*	*12,81,90,011*	*15,49,82,179*
Other financial liabilities	8,35,20,323	8,35,20,323	8,35,20,323	—	—
	22,87,24,211	*22,87,24,211*	*22,87,24,211*	—	—
Derivative financial liabilities	—	—	—	—	—
	17,47,778	*17,47,778*	*17,47,778*	—	—

Note- Figures in italics relates to previous year.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

Credit Risk

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

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

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

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

(d) **Foreign Currency exposure as at 31 March 2022** ₹

Particulars	USD	EUR	JPY	GBP	Others	Total
Financial Assets						
Trade Receivables	27,72,46,333	21,21,28,514	—	14,47,86,833	—	63,41,61,681
Bank balance in Current account	—	—	—	4,47,481	—	4,47,481
Other Assets	8,95,424	17,28,854		3,48,246	53,602	30,26,126
Financial Liabilities						
Trade Payables	(76,57,64,390)	(5,70,74,303)	(5,24,90,850)	(4,90,343)	(1,10,83,818)	(88,69,03,704)
Loan in Foreign Currency	(29,16,26,753)	(6,78,64,386)	—	(4,19,89,432)	—	(40,14,80,571)
Advance from Customers	(4,05,45,436)	—	—	—	—	(4,05,45,436)
Net Exposure to Foreign Currency Risk	**(81,97,94,822)**	**8,89,18,679**	**(5,24,90,850)**	**10,31,02,785**	**(1,10,30,216)**	**(69,12,94,423)**

Foreign Currency exposure as at 31 March 2021 ₹

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

(e) **Sensitivity Analysis**

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

₹

Particulars	April 2021 to March 2022		April 2020 to March 2021	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	(81,97,948)	81,97,948	(52,45,888)	52,45,888
EUR	8,89,187	(8,89,187)	3,50,740	(3,50,740)
JPY	(5,24,909)	5,24,909	(1,81,892)	1,81,892
GBP	10,31,028	(10,31,028)	8,56,963	(8,56,963)
Others	(1,10,302)	1,10,302	(79,870)	79,870
Increase / (decrease) in profit	**(69,12,944)**	**69,12,944**	**(42,99,947)**	**42,99,947**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

(f) Interest rate risk

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

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

	April 2021 to March 2022	April 2020 to March 2021
Company's debt obligation (Floating rates)	307,52,17,609	209,24,60,405

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

If interest rate had been 25 basis point higher/ lower and all other variables held constant, the company's profit before tax for the ended 31 March 2022 would decrease/ increase by Rs. 76,88,044 (Previous year - Rs. 52,31,151). This is mainly attributable to the company's exposure to interest rates on its floating rate borrowings.

(g) Securities price risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices. The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. The value of investments in such equity instruments as at 31 March 2022 is Rs. 1,47,03,500 (Previous year - Rs. 1,49,36,500). Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

33 Capital management

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

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

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

Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances and other financial assets.

The table below summarises the capital, net debt and net debt equity ratio of the Company.

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
Total borrowings	307,52,17,609	209 ,24,60,405
Less: cash and cash equivalents, other bank balances and other financial assets (refer note 5,9 & 10)	10,30,37,692	7,66,64,139
Net Debt	**297,21,79,917**	**201,57,96,266**
Equity	**585,91,39,873**	**497,56,64,342**
Total Capital (Equity + Net Debt)	**883,13,19,790**	**699,14,60,608**
Net Debt to Equity Ratio	**0.51**	**0.41**

34 Note on Revenue disaggregation

	India ₹	Out side India ₹	Total ₹
Sale of products	1408,14,07,329 *1043,68,16,839*	309,10,79,829 *235,32,36,945*	1717,24,87,158 *1279,00,53,784*
Income from sale of services	185,35,15,012 *126,20,07,953*	3,23,80,410 *5,28,35,185*	188,58,95,422 *131,48,43,138*
Other operating revenue	17,71,18,826 *13,43,80,342*	— *—*	17,71,18,826 *13,43,80,342*
Total revenue from operations	**1611,20,41,167** *1183,32,05,134*	**312,34,60,239** *240,60,72,130*	**1923,55,01,406** *1423,92,77,264*

Note - Figures in italics relates to previous year.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

Revenue Reconciliation	April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
Total Revenue	1931,01,62,694	1429,36,41,412
Less: variable consideration (Cash Discount)	7,46,61,288	5,43,64,148
Total revenue from operations	**1923,55,01,406**	**1423,92,77,264**

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

35 Contract Liability

The Company has recognised Revenue from Sale of products and Income from sale of Services amounting to Rs. 1,97,86,669 during the year ended 31 March 2022 against the advance received from customer which was outstanding as on 31 March 2021. (Previous year: Rs.7,04,77,924 against advance received from customer which was outstanding as on 31 March 2020).

36 Fire incident at Dolomite Plant

The fire was broken out on 3rd March'2022 in the dolomite plant at around 7.40 AM. It is estimated that loss in inventory is Rs 189.40 lakhs including raw materials, finished goods and work-in-progress which was already charged in the accounts.

In addition to it there is loss of Rs. 922.28 lakhs in the property, plant, and equipment and others (gross block of assets was Rs 828.14 lakhs and the net block was Rs. 22.62 lakhs, depreciation during the previous years Rs. 805.52 lakhs) which has already depreciated in the previous year.

We are assessing the amount to be claimed with the insurance company including replaceable value of property, plant, and equipment.

37 Related Party Disclosures

a) List of related parties of TRL Krosaki Refractories Limited

Sl No	Name	Country of Incorporation	% of Equity Interest	
			As at 31 March 2022	As at 31 March 2021
i)	**Parent Entity (Holding company)**			
	Krosaki Harima Corporation	Japan	77.62	77.62
ii)	**Associate Companies**			
	TRL Krosaki Asia Pte Limited	Singapore	37	37
	Almora Magnesite Limited	India	39	39
iii)	**Entity having significant influence over holding Company (Ultimate Holding Company)**			
	Nippon Steel Corporation (Formerly known as Nippon Steel & Sumitomo Metal Corporation)	Japan		
iv)	**Subsidiary of Nippon Steel Corporation**			
	Nippon Steel India Pvt Ltd	India		
	Nippon Steel Engineering India Pvt. Ltd.	India		
	Sanyo Special Steel Co. Ltd	Japan		

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

v) Fellow Subsidiaries

TRL Krosaki China Limited (formerly known as TRL China Limited)	China
Krosaki Harima (Shanghai) Enterprise Management Co, Ltd	China
Krosaki Harima Europe B.V.	Netherland
Krosaki USA Inc. (KUI)	USA
Krosaki AMR Refractories S.A.U.	Spain

vi) Associate of Krosaki Harima Corporation

IFGL Refractories Limited (IFGL) (Formerly known as IFGL Exports Limited)	India

vii) Joint Venture of Subsidiary of Nippon Steel Corporation

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

viii) Key Managerial Personnel

(I) Directors

Mr. H. M. Nerurkar (Chairman)
Mr. P. B. Panda (Managing Director)
Mr. P. V. Bhide
Mr. R. Ranganath Rao
Mr. Sudhansu Pathak
Mr. Hisatake Okumura
Mr. Asaya Sachihiko
Ms. Shuang Zhu
Mr. Anirban Dasgupta
Mr. Jumpei Konishi (w.e.f. April 27, 2021)
Mr. Toshikazu Takasu (upto April 11, 2021)

(ii) Other than Directors

Mr. M. V. Rao (Ex. Vice President (Finance) & CFO)
Mr. Asim Kumar Meher (Company Secretary) (w.e.f. 08 March, 2022)
Mr. Sambit Mishra (Company Secretary) (upto 19 October, 2021)

ix) Relative of Key Managerial Personnel

Mr. Dinabandhu Panda

x) Employees' Benefit Plans

TRL Krosaki Refractories Limited Provident Fund
TRL Krosaki Refractories Limited Superannuation Fund
TRL Krosaki Refractories Limited Gratuity Fund

Note:

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

b) Transactions with Related Parties

Particulars	Holding Company	Subsidiaries & Associates of the Holding company	Subsidiaries of ultimate Holding company and it's joint ventures	Associates of the Company	Key Managerial Personnel and relative
Purchase of Raw Materials and goods	25,62,48,114 *12,29,62,252*	83,79,68,455 *55,17,10,708*	– –	2,57,10,752 *1,66,19,288*	– –
Sales and Services	9,81,98,509 *8,08,49,024*	34,61,67,200 *32,61,02,204*	52,79,95,438 *40,36,64,118*	89,47,239 –	– –
Receiving of Services	– –	12,47,732 *7,60,510*	– –	– –	– –
Interest Expenses	– –	– –	20,34,185 *23,98,060*	– –	– –
Royalty	8,30,67,747 *6,41,29,414*	– –	– –	– –	– –
Dividend paid	10,38,26,330 *23,52,31,528*	– –	– –	– –	640 *2,175*
Dividend received	– –	– –	– –	– *2,06,51,141*	– –
Outstanding Balance -Debtors	2,03,67,814 *1,29,24,653*	17,35,43,001 *16,83,49,511*	8,03,54,153 *7,71,92,012*	– –	– –
Loans and advances recovered	– –	– –	– –	– –	60,000 *60,000*
Outstanding Loan Balance	– –	– –	– –	– –	85,000 *1,45,000*
Creditors	14,37,50,496 *6,14,84,303*	4,21,05,847 *9,20,88,542*	– –	18,94,567 *12,67,532*	– –
Loans and Advances Received	– –	2,112 *2,548*	23,38,251 –	– –	– –
Short term employee benefits	– –	– –	– –	– –	3,73,96,660 *3,68,41,272*
Post employment benefits (Refer Note b below)	– –	– –	– –	– –	34,78,243 *30,88,816*
Commission	– –	– –	– –	– –	45,96,000 *75,59,000*
Sitting Fees (Refer Note e below)	– –	– –	– –	– –	37,20,000 *39,45,000*

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

Terms and conditions of transactions with related parties

(a) All related party transactions entered during the year were in ordinary course of the business and are at arm's length basis for the year ended 31 March 2022 and the Company has not recorded any impairment of receivables relating to amounts owed by related parties (Previous year: nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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

(c) During the year, the Company has contributed Rs.12,67,52,970 (Previous year: Rs.8,92,45,922) to the post employment benefit plans to the Trusts managed by the Company.

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

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

38 Ratios

Sl. No.	Particulars	Unit	Current Year	Previous Year	Variance
(a)	Current Ratio	times	1.37	1.42	-4%
(b)	Debt-Equity Ratio	times	0.52	0.41	25%
(c)	Debt Service Coverage Ratio	times	2.68	4.53	-41%
(d)	Return on Equity Ratio	%	18.06	7.35	146%
(e)	Inventory turnover ratio	times	4.72	4.19	13%
(f)	Trade Receivables turnover ratio	times	7.18	5.57	29%
(g)	Trade payables turnover ratio	times	6.39	5.42	18%
(h)	Net capital turnover ratio	times	9.14	7.66	19%
(i)	Net profit ratio	%	5.15%	2.56%	101%
(j)	Return on Capital employed	%	16.41%	8.46%	94%
(k)	Return on investment	%	-0.11%	17%	-101%

The following items are included in numerator and denominator of the above ratios.

(a) **Current Ratio =** Current Assets / Current Liabilities. Current assets exclude assets held for sale.

(b) **Debt – Equity Ratio =** Total Borrowings / Shareholder's Equity

Total borrowings include both long term and short term borrowings excluding lease liability . Share holders' equity = Total equity + deferred tax liability.

(c) **Debt Service Coverage Ratio =** Earnings available for debt service / Debt Service

"Earnings available for debt Service = Profit for the year+ exceptional items+ depreciation and amortisation expense+ interest on fixed and other loans (including interest capitalised)+ interest on lease liability. Debt service = Interest + lease payments + repayments of principal of long term loan "

(d) **Return on Equity Ratio =** Net Profit after taxes / Average Shareholder's Equity

Net profit after tax = Profit for the year - exceptional items. Share holder's equity = Total equity + deferred tax liability. Average shareholders' equity = (opening share holder's equity + closing share holder's equity)/2

(e) **Inventory Turnover ratio =** Sales / Average Inventory

Sales excludes commission income, medical services income, income from other services and other operating revenue.

Average inventory = (opening inventory + closing inventory / 2)

(f) **Trade receivables turnover ratio =** Revenue from operations / Average trade receivables

Average trade receivables = (opening trade receivables + closing trade receivables / 2)

(g) **Trade payables turnover ratio =** Net Credit Purchases / Average Trade Payables

Net credit purchases = Total purchases - capital purchases - advance purchases

"Trade payables exclude creditors for accrued wages and salaries. Average trade payables = (opening trade payables + closing trade payables / 2) "

(h) **Net capital turnover ratio =** Revenue from operations / Working Capital

Working capital = current assets (excluding assets held for sale) - current liabilities.

(i) **Net Profit Ratio =** Net Profit / Total Income

Net profit for the year excludes exceptional items

(j) **Return on Capital employed =** Earnings before interest and taxes / Capital Employed

Earnings before interest and tax expenses = profit before exceptional items and tax + interest expenses

Capital Employed = Total equity + total borrowing + deferred tax liabilities

(k) **Return on investment =** Income generated from invested funds

Explanation for change in the ratios by more than 25% as compared to the preceding year

(b) **Debt-Equity Ratio :** Increased due to increase in borrowings on account of increase in revenue and capital expenditure

(c) **Debt Service Coverage Ratio :** Decreased due to increase in borrowings during the year.

(d) **Return on Equity Ratio :** Increased due to increase in profit during the year.

(f) **Trade Receivables turnover ratio :** Increased due to increase in revenue leading to increase in debtors.

(i) **Net profit ratio :** Increased due to increase in revenue during the year.

(j) **Return on Capital employed :** Increased due to increase in revenue during the year.

(k) **Return on investment :** Decreased due to no dividend income and fair value loss on equity instruments held during the year.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

39 Earnings per Share (EPS)

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

		April 2020 to March 2022	April 2020 to March 2021
a)	Profit after Tax	102,80,67,852	44,48,09,018
b)	Profit attributable to Equity Share Holders	102,80,67,852	44,48,09,018
c)	Weighted average number of Equity Shares outstanding during the year	2,09,00,000	2,09,00,000
d)	Nominal Value per share	10	10
e)	Basic / diluted Earning per Equity Share	49.19	21.28

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

As per our report of even date attached

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

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, May 12, 2022

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

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

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

sd/-
M. V. RAO
EVP (Finance) &
CFO
Kolkata, May 12, 2022

sd/-
ASIM K MEHER
Company Secretary
(ACS : 42427)

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TRL KROSAKI REFRACTORIES LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of TRL Krosaki Refractories Limited (hereinafter referred to as "the Company") and its associates which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its associates as at 31 March 2022, of its consolidated profit and other comprehensive income/, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

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

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

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

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

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

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

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

Other Matter

The consolidated financial statements include the Company's share of net profit (and other comprehensive income) of Rs. 61,18,959 for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of two associates, whose financial information have not been audited by us or by the other auditors. These unaudited financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associates is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, these financial information are not material to the Company.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

   In our opinion and according to the information and explanations given to us, the Companies (Auditor's Report) Order, 2020 of the Company did not include any unfavourable answers or qualifications or adverse remarks.

   The above does not include comments, if any, in respect of the following associate as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report:

Name of the entities	CIN
Almora Magnesite Limited	U26941UR1971PLC003453

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

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

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

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

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

e) On the basis of the written representations received from the directors of the Company as on 31 March 2022 taken on record by the Board of Directors of the Company none of the directors of the Company is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and associate companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Company. Refer Note 26 to the consolidated financial statements.

b) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2022.

c) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022.

d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its associate companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or its associate companies incorporated in India or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company or its associate companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its associate companies incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The dividend declared or paid during the year by the Company and its associate companies incorporated in India is in compliance with Section 123 of the Act.

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

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

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

sd/-

Seema Mohnot
Partner
Membership No.060715
UDIN: 22060715AIWOUV6601

Place: Kolkata
Date: 12 May 2022

Annexure - A to the Independent Auditors' report on the consolidated financial statements TRL Krosaki Refractories Limited for the year ended 31 March 2022

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

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of TRL Refractories Limited ("the Company") as of 31 Mach 2022.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial controls with reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial controls with reference to Consolidated Financial Statements

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

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements does not include our reporting on one associate company, which is incorporated in India, since the financial information of this company have not been audited by us or by other auditor and according to the information and explanations given to us by the Management, this financial information is not material to the Company.

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

sd/-

Seema Mohnot
Partner
Membership No.060715
UDIN: 22060715AIWOUV6601

Place: Kolkata
Date: May 12, 2022

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2022

Particulars	Note	As at 31 March 2022 ₹	As at 31 March 2021 ₹
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	01(a)	392,65,11,981	300,70,96,585
(b) Capital work-in-progress	01©	65,38,76,879	107,16,64,072
(c) Right-of-use assets	29	16,93,28,798	18,59,26,863
(d) Intangible assets	01(b)	3,91,64,212	3,18,10,033
(e) Equity accounted investments	02	30,98,03,967	30,36,85,008
(f) Financial assets			
(i) Investments	03	1,47,03,500	1,49,36,500
(ii) Loans	04	22,04,903	76,09,316
(iii) Other financial assets	05	3,70,99,685	4,45,14,859
(g) Non-current tax assets (net)		2,58,09,044	1,52,65,829
(h) Other non-current assets	06	25,42,93,356	25,80,28,701
Total Non-current assets		**543,27,96,325**	**494,05,37,766**
(2) Current assets			
(a) Inventories	07	449,94,33,632	356,60,27,852
(b) Financial assets			
(i) Trade receivables	08	299,01,91,895	237,15,05,637
(ii) Cash and cash equivalents	09	3,73,01,820	1,31,22,819
(iii) Other balances with bank	10	9,674	10,694
(iv) Loans	04	58,74,327	71,40,665
(v) Other financial assets	05	2,86,26,513	1,90,15,767
(c) Other current assets	06	29,37,34,071	31,35,80,161
(d) Assets held for sale		3,38,028	2,77,90,085
Total Current assets		**785,55,09,960**	**631,81,93,680**
TOTAL ASSETS		**1328,83,06,285**	**1125,87,31,446**
EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity share capital	11	20,90,00,000	20,90,00,000
(b) Other equity		583,43,66,587	494,15,60,560
Total Equity		**604,33,66,587**	**515,05,60,560**
(2) LIABILITIES			
(i) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	80,28,01,769	101,42,76,750
(ia) Lease liabilities	29	18,19,33,033	19,41,16,397
(b) Provisions	15	45,31,86,819	41,94,34,260
(c) Deferred tax liabilities (net)	31	5,70,34,920	4,98,96,181
Total Non-current liabilities		**149,49,56,541**	**167,77,23,588**
(ii) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	227,24,15,840	107,81,83,655
(ia) Lease liabilities	29	1,54,55,503	1,20,66,541
(ii) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	13(a)	3,79,87,252	2,62,48,180
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	13(b)	298,04,86,608	285,54,19,182
(iv) Other financial liabilities	14	8,35,20,323	23,04,71,989
(b) Other current liabilities	16	17,76,58,962	10,47,20,118
(c) rovisions	15	10,39,81,907	8,74,39,956
(d) Current tax liabilities (net)		7,84,76,762	3,58,97,677
Total Current liabilities		**574,99,83,157**	**443,04,47,298**
TOTAL EQUITY AND LIABILITIES		**1328,83,06,285**	**1125,87,31,446**
Notes forming part of financial statements	(1-40)		

As per our report of even date attached

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

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, May 12, 2022

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

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

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

sd/-
M. V. RAO
EVP (Finance) &
CFO
Kolkata, May 12, 2022

sd/-
ASIM K MEHER
Company Secretary
(ACS : 42427)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

		Note	April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
I	Revenue from operations	17	1923,55,01,406	1423,92,77,264
II	Other income	18	42,12,993	3,73,97,298
III	**Total Income (I+II)**		**1923,97,14,399**	**1427,66,74,562**
IV	**EXPENSES**			
	(a) Cost of materials consumed	20	803,18,99,410	617,69,95,338
	(b) Purchases of stock-in-trade		309,82,15,891	210,10,82,304
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	21	(22,66,70,142)	12,98,35,739
	(d) Employee benefits expense	22	141,23,31,697	130,62,14,272
	(e) Finance costs	23	15,92,16,779	12,41,60,393
	(f) Depreciation and amortisation expense	01 & 29	34,30,51,292	28,93,49,422
	(g) Other expenses	24	509,29,83,096	367,70,78,538
	Total Expenses (IV)		**1791,10,28,023**	**1380,47,16,006**
V	**Share of profit/(loss) of equity accounted investees**		**61,18,959**	**(8,53,56,180)**
VI	**Profit before exceptional item and tax (III - IV+V)**		**133,48,05,335**	**38,66,02,376**
VII	**Exceptional Item**	19	**3,64,54,277**	**7,87,97,625**
VIII	**Profit before tax (VI+VII)**		**137,12,59,612**	**46,54,00,001**
IX	**Tax Expense**			
	(a) Current tax		32,53,48,986	10,52,44,433
	(b) Taxation for earlier years		—	29,78,009
	(c) Deferred tax		85,12,278	71,671
	Total tax expense	**31**	**33,38,61,264**	**10,82,94,113**
X	**Profit for the year (VIII-IX)**		**103,73,98,348**	**35,71,05,888**
XI	**Other Comprehensive Income / (loss)**			
	(i) Items that will not be reclassified subsequently to profit and loss			
	(a) Remeasurement loss of defined benefit plans		(1,19,72,860)	(4,16,84,300)
	(b) Fair value changes of investments in equity shares		(2,33,000)	63,17,500
	(ii) Income tax on items that will not be reclassified subsequently to profit and loss		13,73,539	98,00,737
	Total Other comprehensive loss for the year (net of income tax)		**(1,08,32,321)**	**(2,55,66,063)**
XII	**Total Comprehensive Income for the year (X+XI)**		**102,65,66,027**	**33,15,39,825**
XIII	**Earnings per equity share**			
	Basic and Diluted [Face value of Rs.10 each] (PY: Face value of Rs.10 each)		49.64	17.09
	Notes forming part of financial statements	(1-40)		

As per our report of even date attached

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

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, May 12, 2022

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

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H. M. NERURKAR
Chairman
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sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)

sd/-
M. V. RAO
EVP (Finance) &
CFO
Kolkata, May 12, 2022

sd/-
ASIM K MEHER
Company Secretary
(ACS : 42427)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

(A) EQUITY SHARE CAPITAL

(Refer Note 11)

As at 31 March 2022 ₹

Particulars	Balance as at 1 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
Equity Share Capital	20,90,00,000	—	20,90,00,000

As at 31 March 2021 ₹

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

(B) OTHER EQUITY

(Refer Note 11)

As at 31 March 2022 ₹

Particulars	Reserve & Surplus			Items of Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Security Premium Reserve	Investment Revaluation Reserve	
Balance as at 1 April 2021	**263,54,00,135**	**142,49,94,100**	**75,73,04,560**	**12,38,61,765**	**494,15,60,560**
Profit for the year	**103,73,98,348**	**—**	**—**	**—**	**103,73,98,348**
Dividend	**(13,37,60,000)**	**—**	**—**	**—**	**(13,37,60,000)**
Fair value loss on equity instrument	**—**	**—**	**—**	**(2,33,000)**	**(2,33,000)**
Remeasurement loss on defined benefit plans	**(1,05,99,321)**	**—**	**—**	**—**	**(1,05,99,321)**
Balance as at 31 March 2022	**352,84,39,162**	**142,49,94,100**	**75,73,04,560**	**12,36,28,765**	**583,43,66,587**

As at 31 March 2021 ₹

Particulars	Reserve & Surplus			Items of Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Security Premium Reserve	Investment Revaluation Reserve	
Balance as at 1 April 2020	261,32,27,810	142,49,94,100	75,73,04,560	11,75,44,265	491,30,70,735
Profit for the year	35,71,05,888	—	—	—	35,71,05,888
Dividend	(30,30,50,000)	—	—	—	(30,30,50,000)
Fair value gain on equity instrument	—	—	—	63,17,500	63,17,500
Remeasurement loss on defined benefit plans	(3,18,83,563)	—	—	—	(3,18,83,563)
Balance as at 31 March 2021	**263,54,00,135**	**142,49,94,100**	**75,73,04,560**	**12,38,61,765**	**494,15,60,560**

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

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

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

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

As per our report of even date attached

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

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, May 12, 2022

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

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

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

sd/-
M. V. RAO
EVP (Finance) &
CFO

sd/-
ASIM K MEHER
Company Secretary
(ACS : 42427)

Kolkata, May 12, 2022

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2022

		April 2021 - March 2022 ₹	April 2020 - March 2021 ₹
A. Cash Flow from Operating activities:			
Profit before tax		137,12,59,612	46,54,00,001
Adjustments for:			
Share of profit of equity accounted investees		(61,18,959)	8,53,56,180
Depreciation and amortisation expense		34,30,51,292	28,93,49,422
Write back of allowances for credit loss		3,19,64,077	(1,62,74,849)
Exceptional Item (Profit on sale of assets held-for sale)		(3,64,54,277)	(7,87,97,625)
Dividend income		(52,000)	—
Net gain on sale of property, plant and equipment		(15,95,165)	(30,17,410)
Interest income		(25,65,828)	(3,43,79,888)
Finance costs		15,92,16,779	12,41,60,393
Unrealised gain /(loss)on foreign exchange fluctuation		47,88,882	(36,66,919)
Operating profit before working capital changes		**186,34,94,413**	**82,81,29,305**
Adjustments for:			
Decrease / (Increase) in non-current / current financial and other assets		(65,29,37,157)	52,39,33,809
(Increase) in inventories		(93,34,05,780)	(42,58,65,415)
Increase in non-current / current financial and other liabilities / provisions		27,99,95,654	60,34,39,967
Cash generated from operations		**55,71,47,130**	**152,96,37,666**
Income tax paid (net of refunds)		(29,33,13,116)	(3,83,75,227)
Net Cash from Operating Activities	A	**26,38,34,014**	**149,12,62,439**
B. Cash Flow from Investing Activities:			
Acquisitions of property, plant and equipment		(98,71,73,666)	(116,10,38,249)
Proceeds on sale of property, plant and equipment		17,37,227	39,82,198
Advance against sale of land		—	2 ,74,18,392
Proceeds from sale of land		3,64,87,942	8 ,96,90,410
Fixed deposits with bank		—	3,40,92,885
Interest received		31,21,286	3,74,94,766
Dividend received		52,000	2 ,06,51,141
Net Cash used in Investing Activities	B	**(94,57,75,211)**	**(94,77,08,457)**
C. Cash Flow from Financing Activities:			
Proceeds from borrowings		145,31,49,445	59,75,56,361
Repayment of borrowings		(46,81,20,495)	(81,91,68,977)
Payment of lease liabilities (including interest)		(2,58,79,863)	(2,34,10,979)
Proceeds from government grant		2,58,88,096	11,92,53,864
Interest paid		(14,51,56,985)	(10,93,47,582)
Dividend paid		(13,37,60,000)	(30,30,50,000)
Net Cash used in Financing Activities	C	**70,61,20,198**	**(53,81,67,313)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		**2,41,79,001**	**53,86,669**
Opening Cash and Cash equivalents (Refer Note 9)		**1,31,22,819**	**77,36,150**
Closing Cash and Cash equivalents (Refer Note 9)		**3,73,01,820**	**1,31,22,819**

Note:

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

ii) Figures in brackets represent cash outflows.

As per our report of even date attached

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

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, May 12, 2022

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

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

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

sd/-
M. V. RAO
EVP (Finance) &
CFO
Kolkata, May 12, 2022

sd/-
ASIM K MEHER
Company Secretary
(ACS : 42427)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTE 01

Description	Cost / (Deemed Cost) as at 1 April 2021 ₹	Additions ₹	Deductions ₹	Cost / Deemed Cost as at 31 March 2022 ₹	Accumulated Depreciation as at 1 April 2021 ₹	Depreciation for the Year: Additions ₹	Depreciation for the Year: Disposals/ Deductions ₹	Accumulated Depreciation as at 31 March 2022 ₹	Net Carrying Value as at 31 March 2022 ₹
1(a). Property, plant and equipment									
Freehold Land	18,67,412	—	—	18,67,412	—	—	—	—	18,67,412
	(18,67,412)	—	—	*(18,67,412)*	—	—	—	—	*(18,67,412)*
Buildings and Roads	119,53,75,243	52,34,75,274	60,51,561	171,27,98,956	22,20,20,596	3,43,95,066	60,51,561	25,03,64,101	146,24,34,855
	(94,44,84,452)	*(25,39,98,526)*	*(31,07,735)*	*(119,53,75,243)*	*(19,58,78,012)*	*(2,92,50,319)*	*(31,07,735)*	*(22,20,20,596)*	*(97,33,54,647)*
Plant and Machinery	255,21,57,209	62,97,24,715	11,09,74,145	307,09,07,779	69,71,60,744	22,54,34,875	11,09,58,693	81,16,36,926	225,92,70,853
	(202,54,18,432)	*(56,81,52,285)*	*(4,14,13,508)*	*(255,21,57,209)*	*(55,11,03,687)*	*(18,66,42,296)*	*(4,05,85,239)*	*(69,71,60,744)*	*(185,49,96,465)*
Railway Siding	1,34,48,476	—	—	1,34,48,476	86,69,844	14,44,974	—	1,01,14,818	33,33,658
	(1,34,48,476)	—	—	*(1,34,48,476)*	*(72,24,870)*	*(14,44,974)*	—	*(86,69,844)*	*(47,78,632)*
Furniture and Fixture	15,30,26,687	3,18,63,455	1,87,994	18,47,02,148	8,69,03,484	1,95,87,448	1,87,145	10,63,03,787	7,83,98,361
	(15,15,01,214)	*(16,73,669)*	*(1,48,196)*	*(15,30,26,687)*	*(7,28,29,760)*	*(1,42,20,816)*	*(1,47,092)*	*(8,69,03,484)*	*(6,61,23,203)*
Office Equipments	9,84,55,576	3,35,96,138	8,33,677	13,12,18,037	3,60,63,110	2,29,50,009	7,56,228	5,82,56,891	7,29,61,146
	(8,12,51,455)	*(239,81,768)*	*(67,77,647)*	*(9,84,55,576)*	*(2,51,27,135)*	*(1,75,78,207)*	*(66,42,232)*	*(3,60,63,110)*	*(6,23,92,466)*
Vehicles	6,16,48,172	1,54,55,580	24,15,584	7,46,88,168	1,80,64,412	1,07,45,332	23,67,272	2,64,42,472	4,82,45,696
	(4,90,47,912)	*(126,00,260)*	—	*(6,16,48,172)*	*(83,46,561)*	*(97,17,851)*	—	*(1,80,64,412)*	*(4,35,83,760)*
Total Property, plant and equipment	**407,59,78,775**	**123,41,15,162**	**12,04,62,961**	**518,96,30,976**	**106,88,82,190**	**31,45,57,704**	**12,03,20,899**	**126,31,18,995**	**392,65,11,981**
	(326,70,19,353)	*(86,04,06,508)*	*(4,83,39,351)*	*(407,59,78,775)*	*(86,05,10,025)*	*(25,88,54,463)*	*(5,04,82,298)*	*(106,88,82,190)*	*(300,70,96,585)*
1(b). Intangible Assets									
Development of Mines	2,88,33,293	—	—	2,88,33,293	2,66,82,548	10,75,375	—	2,77,57,923	10,75,370
	(2,88,33,293)	—	—	*(2,88,33,293)*	*(2,22,35,457)*	*(44,47,091)*	—	*(2,66,82,548)*	*(21,50,745)*
Software	6,62,50,182	1,58,76,533	—	8,21,26,715	3,65,90,894	74,46,979	—	4,40,37,873	3,80,88,842
	(5,77,52,382)	*(84,97,800)*	—	*(6,62,50,182)*	*(2,99,70,705)*	*(66,20,189)*	—	*(3,65,90,894)*	*(2,96,59,288)*
Total Intangible Assets	**9,50,83,475**	**1,58,76,533**	**—**	**11,09,60,008**	**6,32,73,442**	**85,22,354**	**—**	**7,17,95,796**	**3,91,64,212**
	(8,65,85,675)	*(84,97,800)*	—	*(9,50,83,475)*	*(5,22,06,162)*	*(110,67,280)*	—	*(6,32,73,442)*	*(3,18,10,033)*
Total (a+b)	**417,10,62,250**	**124,99,91,695**	**12,04,62,961**	**530,05,90,984**	**113,21,55,632**	**32,30,80,058**	**12,03,20,899**	**133,49,14,791**	**396,56,76,193**
As at 31 March 2021	*(335,36,05,028)*	*(86,89,04,308)*	*(4,83,39,351)*	*(417,10,62,250)*	*(91,27,16,187)*	*(26,99,21,743)*	*(5,04,82,298)*	*(113,21,55,632)*	*(303,89,06,618)*
1(c). Capital work in progress									
Buildings, Plant and Machinery, etc.	**107,16,64,072**	**83,22,04,502**	**124,99,91,695**	**65,38,76,879**	**—**	**—**	**—**	**—**	**65,38,76,879**
	(69,35,32,740)	*(124,70,35,640)*	*(86,89,04,308)*	*(107,16,64,072)*	—	—	—	—	*(107,16,64,072)*
Total Assets									**461,95,53,072**
									(411,05,70,690)

Note:
(i) Figures in brackets relate to the previous year.
(ii) Development of mines represent expenditure incurred in relation to restoration obligations as per applicable regulations and the same has been amortised over the period of lease.
(iii) No indicator of impairment were identified during the current year, hence Property, Plant and Equipment including Capital Work in Progress were not tested for impairment.
(iv) Property, Plant and Equipment including Capital Work in Progress have been hypothecated as security against certain bank borrowings (Refer Note 12).
(v) Rs. 4,40,95,596 (Previous year - Rs. 5,16,98,866) of borrowing costs has been capitalised during the year on qualifying assets under additions to Capital Work in Progress using a capitalisation rate of 6.95% (previous year - 7.40%).
(vi) Additions to Capital Work in Progress includes finished goods issued for capital projects amounting to Rs. 99,62,977 (Previous year - Rs. 2,80,80,836).
(vii) Buildings and Roads, closing gross block Rs. 51,34,01,480 (Previous year - Rs. 35,49,60,416) and net carrying value Rs. 49,28,95,330 (Previous year - Rs. 33,93,55,000) include buildings leased out to employees for residential purposes.
(viii) Incentives amounting to Rs. 2,58,88,096 (Previous year - Rs. 11,92,53,864) on account of Export Promotion Capital Goods scheme is adjusted in additions to Capital Work in Progress.

1(c) — Capital work in progress aging

Rupees

Particulars	As at 31 March 2022 Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total	As at 31 March 2021 Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Projects in progress	10,64,90,643	2,17,85,550	19,09,71,355	33,46,29,331	65,38,76,879	3,70,20,814	28,11,38,047	75,08,32,033	26,73,178	107,16,64,072
(ii) Projects temporarily suspended	—	—	—	—	—	—	—	—	—	—
Total Capital work in progress	**10,64,90,643**	**2,17,85,550**	**19,09,71,355**	**33,46,29,331**	**65,38,76,879**	**3,70,20,814**	**28,11,38,047**	**75,08,32,033**	**26,73,178**	**107,16,64,072**

1(c)— Capital work in progress

Details of capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

Rupees

Name of projects	As at 31 March 2022 — To be completed in: Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total	As at 31 March 2021 — To be completed in: Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Pollution control and Environment system	—	—	—	—	—	2,04,66,592	—	—	—	2,04,66,592
(ii) Water treatment plant	—	—	—	—	—	3,35,08,211	—	—	—	3,35,08,211
(iii) Dolomite Burnt Brick facility	—	—	—	—	—	1,95,10,729	—	—	—	1,95,10,729
(iv) High Temp Tunnel Kiln	30,82,97,989	—	—	—	30,82,97,989	27,75,76,593	—	—	—	27,75,76,593
(v) Manufacturing facility of AG Refractories	—	—	—	—	—	44,40,34,257	—	—	—	44,40,34,257
(vi) TRL Krosaki Club	—	—	—	—	—	2,70,17,188	—	—	—	2,70,17,188
(vii) Testing facilities -Technology Division	16,80,000	—	—	—	16,80,000	16,80,000	—	—	—	16,80,000
(viii) AL-80 / 90 Slide gate system	—	2,63,31,344	—	—	2,63,31,344	1,56,46,912	—	28,25,602	—	1,84,72,514
(ix) 1600T Electro Screw Press	11,83,878	—	—	—	11,83,878	10,52,000	—	—	—	10,52,000
(x) Dust collector	—	—	—	—	—	4,70,000	—	—	—	4,70,000
(xi) JUQC Mechanism	8,24,668	1,67,34,566	—	—	1,75,59,234	—	—	—	—	—
(xii) Tundish DVM heating & spray machine	7,17,500	—	—	—	7,17,500	—	—	—	—	—
(xii) IT Infrastructure	4,75,000	—	—	—	4,75,000	—	—	—	—	—
(xiv) Tempering Kiln	19,81,71,312	—	—	—	19,81,71,312	—	—	—	—	—
(xv) Auto Batching for Mixer machine	4,32,46,801	—	—	—	4,32,46,801	—	—	—	—	—
(xvi) CO and O2 Analyzer for rotary klin	—	—	—	—	—	,26,73,178	—	—	—	26,73,178
(xvii) Const of 48 nos New C-type House	—	—	—	—	—	3,11,10,395	—	—	—	3,11,10,395
Total	**55,45,97,148**	**4,30,65,910**	**—**	**—**	**59,76,63,058**	**87,47,46,055**	**—**	**28,25,602**	**—**	**87,75,71,657**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

	No. of equity shares	As at 31 March 2022 ₹	As at 31 March 2021 ₹
NOTE: 02 Equity accounted investments			
Non-Current			
Investments in Associate Companies			
a) TRL Krosaki Asia Pte Limited (Face value of SG$ 1 each, fully paid-up)	48,07,584	24,71,96,840	24,71,96,840
Add: Accumulated Profit		3,78,72,859	5,31,17,448
Less: Dividend received		—	2,06,51,141
Carrying amount of Investment		**28,50,69,699**	**27,96,63,147**
b) Almora Magnesite Limited	77,990	77,99,000	77,99,000
Original cost of investment (Face value of ₹ 100 each, fully paid-up)			
Add: Accumulated Profit		1,69,35,268	1,62,22,861
Carrying amount of Investment		**2,47,34,268**	**2,40,21,861**
Total Equity accounted investments		**30,98,03,967**	**30,36,85,008**
Aggregate carrying value of unquoted investments		**30,98,03,967**	**30,36,85,008**
NOTE: 03 Investments			
Non-Current			
a) Investment designated at fair value through Other Comprehensive Income			
Investment in Equity Instrument (Quoted)			
HDFC Bank Limited (Fair Value) (Face Value of ₹ 1 each fully paid up)	10,000	1,47,03,500	1,49,36,500
b) Investment in Equity Instrument (Unquoted)			
Tata Construction and Projects Limited*	1,44,202	18,42,020	18,42,020
(Face Value of ₹ 10 each fully paid up) Less: impairment in value of investment		(18,42,020)	(18,42,020)
*Company is in liquidation			
Total Investments		**1,47,03,500**	**1,49,36,500**
Aggregate carrying value and market value of quoted investments are as below:			
Carrying value		1,47,03,500	1,49,36,500
Market Value		1,47,03,500	1,49,36,500
Aggregate amount of impairment in value of investment		**18,42,020**	**18,42,020**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

04 Loans

	As at 31 March 2022 ₹			As at 31 March 2021 ₹		
Unsecured, considered good	Non-current	Current	Total	Non-current	Current	Total
(a) Loans to employees*	22,04,903	58,74,327	80,79,230	76,09,316	71,40,665	1,47,49,981
Total Loans	**22,04,903**	**58,74,327**	**80,79,230**	**76,09,316**	**71,40,665**	**1,47,49,981**

*It includes Loan to relative of KMP amounting to Rs. 85,000 (previous year Rs. 1,45,000)

05 Other financial assets

	As at 31 March 2022 ₹			As at 31 March 2021 ₹		
Unsecured, considered good	Non–current	Current	Total	Non–current	Current	Total
(a) Security deposits	3,70,99,685	2,45,73,196	6,16,72,881	4,45,14,859	1,69,88,353	6,15,03,212
(b) Interest accrued on deposits	—	14,71,956	14,71,956	—	20,27,414	20,27,414
(c) Derivative assets	—	25,81,361	25,81,361	—	—	—
Total Other financial assets	**3,70,99,685**	**2,86,26,513**	**6,57,26,198**	**4 ,45,14,859**	**1,90,15,767**	**6,35,30,626**

06 Other assets

	As at 31 March 2022 ₹			As at 31 March 2021 ₹		
Unsecured, considered good unless otherwise stated	Non current	Current	Total	Non current	Current	Total
(a) Capital advances	2,68,75,337	—	2,68,75,337	4,33,44,640	—	4,33,44,640
(b) Advance with public bodies *	22,35,17,944	17,87,48,149	40,22,66,093	20,98,42,502	22,39,27,934	43,37,70,436
(c) Other advances (Unsecured, considered good)**	39,00,075	11,49,85,922	11,88,85,997	48,41,559	8,96,52,227	9,44,93,786
(d) Other advances (Unsecured, credit impaired)	1,03,10,919	—	1,03,10,919	1,03,10,919	—	1,03,10,919
Other assets	**26,46,04,275**	**29,37,34,071**	**55,83,38,346**	**26,83,39,620**	**31,35,80,161**	**58,19,19,781**
Less: Allowances for doubtful advances	**1,03,10,919**	**—**	**1,03,10,919**	**1,03,10,919**	**—**	**1,03,10,919**
Total Other assets	**25,42,93,356**	**29,37,34,071**	**54,80,27,427**	**25,80,28,701**	**31,35,80,161**	**57,16,08,862**

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

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

07 Inventories

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
(a) Raw materials	291,44,22,484	218,91,82,844
(b) Work-in-progress	21,44,16,802	22,25,18,116
(c) Finished goods	79,62,41,173	73,86,34,878
(d) Stock-in-trade	32,56,65,400	15,84,63,216
(e) Stores and spares	16,69,18,601	17,99,29,970
(f) Loose tools	41,69,627	45,15,797
(g) Fuel	7,75,99,545	7,27,83,031
Total Inventories	**449,94,33,632**	**356,60,27,852**

The value of inventories stated above is after adjustment of Rs. 1,79,27,248 (Previous year - Rs . 1,37,79,443) for write-downs to net realisable value and provision for slow moving and obsolete item is Rs. 3,37,40,297 (Previous year - Rs. 50,78,852). Finished goods above Includes goods in transit of Rs. 1,96,81,819 (Previous year - Rs. 8,88,31,627).

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

08 Trade receivables- Billed

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
Unsecured		
(a) Unsecured, considered good	312,56,60,614	231,92,12,582
(b) Credit Impaired	—	43,22,265
	312,56,60,614	**232,35,34,847**
Less: Allowance for credit losses	18,55,23,317	15,36,93,680
Total Trade receivables	**294,01,37,297**	**216,98,41,167**
Total Trade receivables- Unbilled (Unsecured, considered good)	**5,00,54,598**	**20,16,64,470**

There are no receivables which have significant increase in credit risk.

The Company's exposure to customers contributing more than 10% of the outstanding receivables as at March 31, 2022 is Rs. 121,29,15,843 (Previous year - Rs. 84,73,37,367)

The trade receivables from related parties amounting to Rs. 27,42,64,968 (Previous year - Rs. 25,84,66,176) are included in trade receivables. [Refer Note 38 (b)]

There are no outstanding debts due from directors or other officers of the Company.

Trade receivables have been hypothecated as security against certain bank borrowings (Refer Note-12)

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

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
Balance at the beginning of the year	15,36,93,680	16,99,68,529
Additions during the year	3,18,29,637	—
Amount utilised during the year	—	(1,62,74,849)
Balance at the end of the year	**18,55,23,317**	**15,36,93,680**

Ageing of trade receivabls- billed

As at 31 March 2022 ₹

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	195,95,97,842	87,96,77,606	18,27,53,071	2,11,20,775	1,38,50,184	6,86,61,136	312,56,60,614
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	–	–	–	–	–	–	–
(iii) Undisputed Trade Receivables — credit impaired	–	–	–	–	–	–	–
(iv) Disputed Trade Receivables — considered good	–	–	–	–	–	–	–
(v) Disputed Trade Receivables — which have significant increase in credit risk	–	–	–	–	–	–	–
(vi) Disputed Trade Receivables — credit impaired	–	–	–	–	–	–	–
Total Trade receivables billed	**195,95,97,842**	**87,96,77,606**	**18,27,53,071**	**2,11,20,775**	**1,38,50,184**	**6 ,86,61,136**	**312,56,60,614**
Less: Allowance for Doubtful Trade Receivable Billed							18,55,23,317
							294,01,37,297
Trade Receivable Unbilled							5,00,54,598
							299,01,91,895

As at 31 March 2021								₹
			Outstanding for following periods from due date of payment					
Particulars		Not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables — considered good	159,18,15,707	52,23,30,055	10,23,62,588	3,06,19,810	83,52,346	6,37,32,076	231,92,12,582
(ii)	Undisputed Trade Receivables — which have significant increase in credit risk	–	–	–	–	–	–	–
(iii)	Undisputed Trade Receivables — credit impaired	–	–	–	–	–	43,22,265	43,22,265
(iv)	Disputed Trade Receivables — considered good	–	–	–	–	–	–	–
(v)	Disputed Trade Receivables — which have significant increase in credit risk	–	–	–	–	–	–	–
(vi)	Disputed Trade Receivables — credit impaired	–	–	–	–	–	–	–
Total Trade receivables billed		**159,18,15,707**	**52,23,30,055**	**10,23,62,588**	**3,06,19,810**	**83,52,346**	**6 ,80,54,341**	**232 ,35,34,847**
Less: Allowance for doubtful trade receivable -Billed								15,36,93,680
								216,98,41,167
Trade Receivable Unbilled								20,16,64,470
								237,15,05,637

09 Cash and cash equivalents

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
(a) Balances with banks	3,71,30,989	1,29,14,742
(b) Cash on hand	1,70,831	2,08,077
Total Cash and cash equivalents	**3,73,01,820**	**1,31,22,819**

10 Other balances with bank

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
(a) Unclaimed dividend*	9,674	10,694
Total Other balances with banks	**9,674**	**10,694**

* Not available for use of the Company.

11 Equity Share Capital

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
Authorised :		
2,50,00,000 Equity Shares of ₹10 each (Previous year: 2,50,00,000 Equity Shares of ₹ 10 each)	25,00,00,000	25,00,00,000
	25,00,00,000	**25,00,00,000**
Issued, Subscribed and Fully Paid-up:		
2,09,00,000 Equity Shares of ₹ 10 each (Previous year: 2,09,00,000 Equity Shares of ₹ 10 each)	20,90,00,000	20,90,00,000
Total Equity Share Capital	**20,90,00,000**	**20,90,00,000**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

11 Equity Share Capital (Cont.)

a) Rights, preference and restrictions attached to equity shares

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

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

b) Reconciliation of Share Capital	As at 31 March 2022 Number	As at 31 March 2022 ₹	As at 31 March 2021 Number	As at 31 March 2021 ₹
Opening Balance	2,09,00,000	20,90,00,000	2,09,00,000	20,90,00,000
Closing Balance	**2,09,00,000**	**20,90,00,000**	**2,09,00,000**	**20,90,00,000**

c) Shares held by holding company	As at 31 March 2022 Number	As at 31 March 2022 ₹	As at 31 March 2021 Number	As at 31 March 2021 ₹
Krosaki Harima Corporation - Japan				
Opening Balance	1,62,22,864	16,22,28,640	1,62,22,864	16,22,28,640
Closing Balance	**1,62,22,864**	**16,22,28,640**	**1,62,22,864**	**16,22,28,640**

d) Disclosure of Shareholding of Promoter

Disclosure of Shareholding of Promoter is as follows

Name of the Share holders	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% of total shares	Number of shares	% of total shares
Krosaki Harima Corporation -Japan	1,62,22,864	77.62	1,62,22,864	77.62
Closing Balance	**1,62,22,864**	**77.62**	**1,62,22,864**	**77.62**

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

Name of the Share holders	As at 31 March 2022		As at 31 March 2021	
	Number of Shares held	% of holding	Number of Shares held	% of holding
Krosaki Harima Corporation- Japan (Holding company)	1,62,22,864	77.62	1,62,22,864	77.62
Steel Authority of India Limited	22,03,150	10.54	22,03,150	10.54

f) Other Equity

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
1) Retained earnings		
Balance at the beginning of the year	263,54,00,135	261,32,27,810
Profit for the year	103,73,98,348	35,71,05,888
Dividend	(13,37,60,000)	(30,30,50,000)
Remeasurement loss on defined benefit plans	(1,05,99,321)	(3,18,83,563)
Balance at the end of the year	352,84,39,162	263,54,00,135
2) General Reserve		
Balance at the beginning of the year	142,49,94,100	142,49,94,100
Balance at the end of the year	**142,49,94,100**	**142,49,94,100**
3) Securities premium :		
Balance at the beginning of the year	75,73,04,560	75,73,04,560
Balance at the end of the year	**75,73,04,560**	**75,73,04,560**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

11 Equity Share Capital (Contnd.)

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
4) Investment revaluation reserve:		
The details of movement in investment revaluation reserve are as below:		
Balance at the beginning of the year	12,38,61,765	11,75,44,265
Other comprehensive (loss) / income recognised during the year	(2,33,000)	63,17,500
Balance at the end of the year	**12,36,28,765**	**12,38,61,765**
5) Dividends		
The following dividends were declared and paid by the Company during the year		
Rs. 6.40 per equity shares (Previous year - Rs. 14.50 per share)	13,37,60,000	30,30,50,000
	13,37,60,000	**30,30,50,000**

After the reporting dates the following dividends were proposed by the board of directors subject to the approval by the shareholders at the annual general meeting.

Rs. 15.00 per equity shares (Previous year: Rs. 6.40 per share)	31,35,00,000	13,37,60,000
	31,35,00,000	**13,37,60,000**

6) Remeasurement on defined benefit plans

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

12 Borrowings

₹

	As at 31 March 2022			As at 31 March 2021		
	Non-Current	Current	Total	Non-Current	Current	Total
A. Secured Borrowings						
(a) Term Loan*						
From Bank	80,28,01,769	44,19,09,231	124,47,11,000	101,42,76,750	33,80,92,250	135,23,69,000
(b) Loan from Banks**						
(i) Working Capital Demand Loans	—	84,00,00,000	84,00,00,000	—	24,00,00,000	24,00,00,000
(ii) Cash Credit	—	8,90,26,038	8,90,26,038	—	11,95,81,960	11,95,81,960
(iii) Packing Credits	—	40,14,80,571	40,14,80,571	—	28,05,09,445	28,05,09,445
Total Secured Borrowings	**80,28,01,769**	**177,24,15,840**	**257,52,17,609**	**101,42,76,750**	**97,81,83,655**	**199,24,60,405**
B. Unsecured Borrowings						
(a) Loan from banks						
(i) Working Capital Demand Loans	—	45,00,00,000	45,00,00,000	—	10,00,00,000	10,00,00,000
(ii) Packing Credits	—	5,00,00,000	5,00,00,000	—	—	—
Total Unsecured Borrowings	—	50,00,00,000	50,00,00,000	—	10,00,00,000	10,00,00,000
Total Borrowings	**80,28,01,769**	**227,24,15,840**	**307,52,17,609**	**101,42,76,750**	**107,81,83,655**	**209,24,60,405**

*** Term Loan from State Bank of India**

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

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

**** Current Borrowings**

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

Packing credits are repayable within maximum tenure of 180 days.

13. Trade Payables

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
(a) **Total outstanding dues of micro enterprises and small enterprises**		
Creditors for supplies of micro and small enterprises	3,79,87,252	2,62,48,180

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

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
1. The principal amount remaining unpaid to supplier as at the end of the year	–	–
2. The interest due thereon remaining unpaid to suppliers as at the end of the year	–	–
3. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	–	–
4. The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	–	–
5. The amount of interest accrued and remaining unpaid at the end of each accounting year	–	–
6. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	–	–
(b) **Total outstanding dues of creditors other than micro enterprises and small enterprises**		
(i) Creditors for supplies / services other than micro and small enterprises	262,22,80,895	246,92,59,934
(ii) Creditors for accrued wages and salaries	12,27,87,328	14,12,39,024
(iii) Acceptances	23,54,18,385	24,49,20,224
Total dues of creditors other than micro enterprises and small enterprises	**298,04,86,608**	285,54,19,182

Ageing of trade payables

As at 31 March 2022 ₹

Particulars	Not due	Outstanding for following periods from due date of payment: 6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME*	3,58,39,073	16,04,517	1,00,000	4,37,727	5,935	3,79,87,252
(ii) Others	253,31,25,379	30,87,43,841	–	91,49,517	66,80,543	285,76,99,280
(iii) Disputed dues — MSME *	–	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–	–
Total trade payables	**256,89,64,452**	**31,03,48,358**	**1,00,000**	**95,87,244**	**66,86,478**	**289,56,86,532**
Creditors for accrued wages and salaries						12,27,87,328

*MSME as per Micro, Small and Medium Enterprises Development Act,2006

As at 31 March 2021 ₹

Particulars	Not due	Outstanding for following periods from due date of payment: 6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME*	2,52,34,993	5,69,525	4,37,727	5,935	–	2,62,48,180
(ii) Others	212,29,14,276	57,47,74,494	8,827,482	37,77,750	38,86,156	271,41,80,158
(iii) Disputed dues — MSME *	–	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–	–
Total Trade payables	**214,81,49,269**	**57,53,44,019**	**92,65,209**	**37,83,685**	**38,86,156**	**274,04,28,338**
Creditors for accrued wages and salaries						14,12,39,024

*MSME as per Micro, Small and Medium Enterprises Development Act,2006

14. Other financial liabilities

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
(a) Interest accrued but not due on borrowings	95,21,934	91,74,431
(b) Unpaid dividends	9,674	10,694
(c) Derivative liabilities	—	17,47,778
(d) Creditors for capital goods	7,39,88,715	21,95,39,086
Total Other financial liabilities	**8,35,20,323**	**23,04,71,989**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

15. Provisions

	As at 31 March 2022			As at 31 March 2021		
	Non current	Current	Total	Non current	Current	Total
	₹	₹	₹	₹	₹	₹
(a) Provision for employee benefits*	27,10,61,624	9,50,87,147	36,61,48,771	23,10,38,954	7,91,25,483	31,01,64,437
(b) Provision for retirement benefits	17,40,35,602	86,69,860	18,27,05,462	18,17,72,982	78,07,000	18,95,79,982
(c) Provision for employee separation compensation	1,60,457	2,24,900	3,85,357	2,99,625	5,07,473	8,07,098
(d) Other provisions**	79,29,136	—	79,29,136	63,22,699	—	63,22,699
Total Provisions	**45,31,86,819**	**10,39,81,907**	**55,71,68,726**	**41,94,34,260**	**8,74,39,956**	**50,68,74,216**

* Provision for employee benefits includes provision for compensated absence, bonus and employee incentives.

** Other provisions include provisions for water cess.

The details of movement in other provisions is as below:

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
Balance at the beginning of the year	63,22,699	63,22,699
Add : Provision recognised during the year	27,00,136	—
Less : Amount utilised during the year	10,93,699	—
Balance at the end of the year	**79,29,136**	**63,22,699**

16. Other current liabilities

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
(a) Advances received from customers	8,88,35,251	3,60,61,742
(b) Advance against sale of land	—	2,74,18,392
(c) Employee recoveries and employer contributions	1,55,36,092	64,42,251
(d) Statutory dues *	7,32,87,619	3,47,97,733
Total Other current liabilities	**17,76,58,962**	**10,47,20,118**

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

17. Revenue from Operations

	April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
(a) Sale of products	1717,24,87,158	1279,00,53,784
(b) Income from sale of services	188,58,95,422	131,48,43,138
(c) Other operating revenue	17,71,18,826	13,43,80,342
Total Revenue from operations	**1923,55,01,406**	**1423,92,77,264**

18. Other income

	April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
(a) Dividend income	52,000	—
(b) Net gain on sale of property, plant and equipment	15,95,165	30,17,410
(c) Interest income	25,65,828	3,43,79,888
Total Other income	**42,12,993**	**3,73,97,298**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

19. Exceptional item

	April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
Sale of assets held-for-sale	6,47,62,164	13,77,34,580
Less: Cost of assets held-for-sale	2,74,52,057	5,83,92,785
Less: Cost incurred for sale of assets held-for-sale	8,55,830	5,44,170
Total Exceptional Item	**3,64,54,277**	**7,87,97,625**

In the current year remaining 42.02 acre of land situated at Vizag was sold for a profit of Rs. 3,64,54,277 land has been shown as exceptional item.

20. Cost of materials consumed

Opening stock	218,91,82,844	162,72,21,090
Add: Purchases	875,71,39,050	673,89,57,092
	1094,63,21,894	836,61,78,182
Less: Closing stock	291,44,22,484	218,91,82,844
Total Cost of materials consumed	**803,18,99,410**	**617,69,95,338**

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

Inventories at the end of the year		
Finished goods	79,62,41,173	73,86,34,878
Stock-in-trade	32,56,65,400	15,84,63,216
Work-in-progress	21,44,16,802	22,25,18,116
Total Inventories at the end of the year	**133,63,23,375**	**111,96,16,210**
Inventories at the beginning of the year		
Finished goods	73,86,34,878	94,26,03,505
Stock-in-trade	15,84,63,216	11,63,80,899
Work-in-progress	22,25,18,116	21,85,48,381
Total Inventories at the beginning of the year	**111,96,16,210**	**127,75,32,785**
Changes in stock of finished goods, stock-in-trade and work-in-progress	**21,67,07,165**	**(15,79,16,575)**
Add: Finished goods issued for capital projects reclassified to Capital work-in-progress	99,62,977	2,80,80,836
Total Changes in stock of finished goods, stock-in-trade and work-in-progress	**22,66,70,142**	**(12,98,35,739)**

22. Employee benefits expenses

(a) Salaries, wages and bonus	121,73,50,221	113,85,54,006
(b) Contribution to provident and other funds	12,97,05,412	11,54,23,232
(c) Staff welfare expenses	6,52,76,064	5,22,37,034
Total Employee benefits expense	**141,23,31,697**	**130,62,14,272**

23. Finance costs

(a) Interest expense		
(1) Interest on fixed loans	15,69,46,683	13,12,35,410
(2) Interest on other loans	3,04,35,901	2,85,54,262
(3) Interest on lease liabilities	1,37,12,291	1,38,52,087
(b) Other borrowing costs	22,17,500	22,17,500
Less: Interest capitalised	4,40,95,596	5,16,98,866
Total Finance costs	**15,92,16,779**	**12,41,60,393**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

24 Other Expenses

		April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
(a)	Stores and spares consumed	33,19,22,865	26,53,27,659
(b)	Repairs to buildings	16,37,18,511	24,16,59,370
(c)	Repairs to machinery	29,72,26,814	28,67,20,831
(d)	Contractors charges for refractories management	35,94,19,813	30,34,57,718
(e)	Fuel consumed	130,10,35,957	74,10,46,379
(f)	Purchase of power	27,99,53,795	23,10,70,783
(g)	Conversion and processing charges	31,74,72,473	21,56,03,733
(h)	Freight and handling charges	120,33,70,161	87,70,31,114
(i)	Rent (refer note-28)	4,54,02,881	3,78,26,806
(j)	Royalty	8,30,67,747	6,41,29,414
(k)	Rates and taxes	2,61,37,574	1,65,97,342
(l)	Insurance charges	2,70,71,187	2,11,11,830
(m)	Commission expenses	10,41,24,542	8,05,62,971
(n)	Net loss on foreign currency transactions	4,35,68,268	69,77,165
(o)	Legal and other professional costs	16,77,61,590	14,57,37,044
(p)	Travelling expenses	6,33,31,972	3,95,75,681
(q)	Others (Refer note below)	27,83,96,946	10,26,42,698
Total Other expenses		**509,29,83,096**	**367,70,78,538**

Note:

Other includes:

(i)	Payment to Auditors :			
	a)	Services as Auditors (including for audit in terms of Section 44AB of the Income Tax Act,1961 Rs. 3,00,000 [(Previous Year Rs. 3,00,000)]	32,50,000	32,50,000
	b)	Fees for other services	50,000	14,32,500
	c)	Out-of pocket expenses	35,320	1,17,095
			33,35,320	**47,99,595**
(ii)	Cost audit fees [Including expenses Rs. Nil (Previous year: Rs.3,000)]		1,25,000	1,28,000

(iii) Revenue expenditure charged to statement of profit and loss in respect of Corporate Social Responsibility (CSR) activities undertaken during the year is Rs.2,10,71,292 [Previous year: Rs.2,24,36,814].

Amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities as per section 135 of the Companies Act, 2013 was Rs. 2,06,78,168 (Previous year: Rs. 2,23,76,534).

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

(iv) Details of corporate social responsibility (CSR) expenditure

		April 2021 to March 2022	April 2020 to March 2021
(i)	Sanitation	—	13,50,535
(ii)	Sports	1,25,638	3,49,737
(iii)	Ethnicity	1,95,097	12,56,949
(iv)	Drinking Water & Sanitation	5,39,712	4,31,228
(v)	Sustainable Livelihood	12,65,031	13,25,822
(vi)	Health Care	18,81,892	60,01,497
(vii)	Environment	22,80,919	20,42,522
(viii)	Education	31,02,886	51,25,126
(ix)	Infrastructure	1,15,77,105	44,48,595
(x)	Admin Expenses	1,03,012	1,04,803
Total CSR expenses		**2,10,71,292**	**2,24,36,814**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note 25: ACCOUNTING POLICIES

1) Company Information

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

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

The financial statements as at 31 March 2022 present the financial position of the Company.

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

As at 31 March 2022, Krosaki Harima Corporation owns 77.62% of the equity shares of the Company and has the ability to influence the Company's operations. Nippon Steel Corporation (Formerly known as Nippon Steel & Sumitomo Metal Corporation) is having significant influence over the Krosaki Harima Corporation.

The list of Associates, which are included in the consolidation and the Company's holding therein are as under:

Particulars	Ownership in %		Country of Incorporation
	As at March 31, 2022	As at March 31, 2021	
Almora Magnesite Limited	38.995%	38.995%	India
TRL Krosaki Asia Pte. Ltd.	37%	37%	Singapore

The financial statements for the year ended March 31, 2022 were approved for issue in accordance with the resolution of the Board of Directors on 12th May, 2022

2) Significant Accounting Policies

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

a) Statement of Compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act,2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time and other relevant provision of the Act.

b) Basis of Preparation

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

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

c) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and the Company's share of profits / losses of associates that are consolidated using the equity method of consolidation. Unrealised gains from the transaction with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee.

d) Use of estimates and critical accounting judgements

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

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

Significant judgements and estimates relate to the following-

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

ii. provision for employee benefits and other provisions; and

iii. commitments and contingencies and measurement of fair values.

iv. valuation of deferred tax assets / liabilities

e) Impact of COVID-19 (pandemic)

The Company has taken into account all the possible impacts of COVID-19 in preparation of these standalone financial statements, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition, impact on leases and impact on effectiveness of its hedges. The Company has carried out this

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

assessment based on available internal and external sources of information upto the date of approval of these standalone financial statements and believes that the impact of COVID-19 is not material to these standalone financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements owing to the nature and duration of Covid-19.

f) Impact of the Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

g) Property, plant and equipment

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

Property, plant and equipment are stated at cost or deemed cost applied on transition to Ind AS, less accumulated depreciation and impairment, if any. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as a part of cost of qualifying asset.

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

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

h) Intangible assets

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

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

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

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

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

Freehold Land is not depreciated.

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

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

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

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

Sl No	Class of Assets	Estimated Useful Life (in years)
I	**Buildings and Roads**	
	Roads	10
	Factory Buildings and Reservoir	30
	Other Buildings (RCC Structure)	60
II	**Plant and Machinery**	
	Grinder	8 to 15
	Mixture, Press Drying Chambers, Shuttle Kiln	10 to 15*
	Gas Producer, Kiln and Shaft Kiln	25*
	Kiln Car	10*
	Workshop Equipment	10 to 15*
	Research and development equipment	10*
	Gunning Machine, Mixture Machine and other equipment used at Customer site.	5 to 8*
	Other Equipment	5 to 15*

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Sl No	Class of Assets	Estimated Useful Life (in years)
III	**Railway Siding**	15
IV	**Furniture and Fixture and Office Equipment**	
	Furniture fittings, office equipment, computer, cinema and audio visual equipment	5*
	Hospital canteen equipment, electric fittings	10*
V	**Vehicles**	
	Motor car, Jeep, motor cycle	5*
	Motor Lorry and mobile equipment	8
VI	**Intangible Assets**	
	Software	10*
	Development of mines	10 years or lease period whichever is less

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

j) Impairment

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

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

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

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

k) Leases

The Company determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to control the use of that asset to the Company in return of payment.

The Company as lessee

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

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

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

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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

The Company as lessor

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

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

l) Equity accounted investments

The Company's interest in equity accounted investments comprises interest in associates.

An associate is an entity in which Company has significant influence but not control over the financial and operating policies.

Interest in associates are accounted for using the equity method. They are initially recognised at cost / deemed costs. Subsequent to initially recognition the consolidated financial statements include the Company's share of profit or loss and OCI of equity accounted investments until the date on which significant influences ceases. When dividend is declared and received it is adjusted in the carrying amount of investments.

Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required, immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

m) Financial Instruments

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

Effective interest method

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

I. Financial assets

Cash and bank balances

Cash and bank balances consist of:

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

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

Financial assets at amortised cost

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

Financial assets measured at fair value

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

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

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

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

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

Impairment of financial assets

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

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

De-recognition of financial assets

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

ii. Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial Liabilities

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

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

Offsetting

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

Derecognition of financial liabilities

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

Derivative financial instruments and hedge accounting

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange fluctuations. The instruments are confined principally to forward foreign exchange contracts. The instruments are employed as hedges of transactions included in the financial statements of for highly probable forecast transactions / firm contractual commitments. The derivatives contracts do not generally extend beyond six months.

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

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

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

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

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

n) Employee benefits

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Short-term employee benefits

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

Defined contribution plans

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

Defined benefit plans

Post Retirement Gratuity

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

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

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

Post-Retirement Medical Benefit

The company has a policy to give medical benefit to the retired employees at its own hospital at Belpahar not exceeding the amount of expense defined in its medical policy. The obligation of this service is measured and recognized based on actuarial valuation at the present value of the obligation as on the reporting date. Re-measurement gains and losses of the net defined benefit liability / (asset) are recognised immediately in Other Comprehensive Income. The service cost and net interest on the net defined benefit liability / (asset) is recognised as an expense within employment costs.

Pension to Directors

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

Other Long-term benefits

Compensated absences

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

Employee Separation Scheme

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

o) Inventories

i. Raw materials, Stores and Spares, Loose Tools and Fuel

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

ii. Finished goods

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

iii. Work in Progress

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

iv. Stock-in-trade

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

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

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

p) Cash Flow Statement

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

q) Non-Current assets held for sale

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

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

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

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

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

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

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

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

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

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

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

s) Income taxes

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

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

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

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

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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

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

t) Revenue recognition

The Company manufactures and sells a range of refractories and provides installation and maintenance services

Sale of products

Revenue from sale of products is recognized when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific locations as the case may be, the risk of loss has been transferred, and either the customer has accepted the products in accordance with the sales contracts, or the Company has objective evidence that all criteria for acceptance have been satisfied.

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

Interest Income

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

Dividend Income

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

Rental Income

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

Commission Income

Commission income is recognised when the services have been rendered.

Export incentives

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

u) Government Grants

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

v) Foreign currency transactions and translation

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

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

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

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

w) Borrowing Costs

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

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

x) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 - Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

significant impact in its financial statements.

Ind AS 16 - Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 - Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 - Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 - Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

y) Earnings per share

Basic earnings per equity share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

26 Contingent Liabilities

Contingent liabilities in respect of -

		As at 31 March 2022	₹ As at 31 March 2021
Claims against the Company not acknowledged as debts in respect of -			
—	Income tax matters	8,43,65,919	71,35,757
—	Sales tax / value added tax / entry tax matters	8,34,80,121	9,11,91,837
—	Excise duty matters	9,43,62,291	9,43,62,291
—	Other matters	10,81,23,251	10,81,23,251

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

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

Income Tax:

The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. These are mainly for transfer pricing issues and disallowance of expenses claimed by the Company as deductions. Most of these disputes and/or dis-allowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years. As at March 31 2022, there are matters and/or disputes pending in appeal amounting to Rs. 8,43,65,919 (Previous Year - Rs.71,35,757).

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

The Company has demands that are being contested by the Company in different years amounting to Rs.17,78,42,412 (Previous Year - Rs.18,55,54,128). These are mainly for non submission of concessional forms.

Demand by Mining Officer:

The Dy. Director Mines, Sambalpur circle, had raised a demand of Rs.5.39 Cr on 26.08.2019 for excess production of Quartzite in Chuinpalli mines and the Mining Officer, Cuttack circle has raised a demand for Rs.5.17 Cr on 15.09.2020 for excess production of fireclay in Talbasta mines, during the period from 2000 to 2010 under section 21(5) of MMDR Act, 1957, based on the common cause judgment dated 2nd August, 2017 of Hon'ble Supreme Court of India. The Company challenged the said demands of Mining Department, Govt. of Odisha through a two different Writ petitions against two notices before the Hon'ble High Court of Orissa, Cuttack. The Company is of the view that, the demand under Section 21(5) of the MMDR Act is not applicable because the impugned demand is based on the judgement of Hon'ble Supreme Court of India in the case of Common Cause vrs. Union of India reported in (2017) 9 SCC 499. The decision referred in the Supreme Court Order was intended to deal with mining leases of Iron Ore and Manganese Ore in the districts of Keonjhar, Sundergarh and Mayurbhanj and has no application to the facts of the case. Moreover, the mining officer has not conducted any enquiry on illegal mining of the Company. Based on the legal opinion obtained by the Company and as per the management assessment, the Company is of the view that it has a strong case to contest on merit and there will not be any outflow of resources by the Company. On 11 January,2021 the Hon'ble High Court of Odisha has disposed of the Writ Petition filed for Talbasta Mines for an amount of Rs. 5.17 Cr with a direction to challenge the impugned demand notice as per Rule 46(1) of the Orissa Minor Mineral Concession Rules, 2016 and take all grounds before the appellate authority. Accordingly, Company has filed an appeal before Joint Director of Mines, Government of Odisha, Bhubaneswar under Rule 46(1) of Odisha Minor Mineral Concession Rules, 2016 and the matter is pending for hearing.

Other Claims

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

Water Rate Dispute

The Company has been drawing water from Lilhari Nullha, a natural water stream. Up to 1994, as per the Orissa Irrigation Act, the water rate was payable for drawing water from irrigation work. Natural water streams like Lilhari Nullha were not covered in the definition of irrigation work, as given in Section 4(9) of the Act. Definition of 'government water source' was inserted in Section 4(6-a) of the Act in 1994, which covers natural water sources like Lilhari Nullha, and the Company has been paying water rate since then. However, the Government of Odisha demanded an amount of Rs. 57,77,600 towards water rate and penalty for the period prior to 1994 which has been stayed by the Hon'ble High Court of Odisha. Water Resources Department, Government of Odisha, has been charging monthly compounded interest @ 2% on the disputed amount and the total interest charged up to 31 March 2022 is Rs. 105,85,63,546. The total disputed demand, together with interest as on 31 March 2022 is Rs. 106,43,41,146. Hon'ble High Court of Odisha has stayed charging of monthly compound interest of 2% and passed an

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

order that compound interest @ 2% will not be allowed to charge until further orders. During the previous year, the Hon'ble High Court of Odisha has directed the Government of Odisha and the Company to negotiate and settle the dispute inline with the settlements made by the Government of Odisha with other companies. Based on the legal opinion obtained by the Company and as per the management assessment, the Company is of the view that it has a strong case to contest on merit and there will not be any material outflow of resources by the Company." The earlier water agreement was ended on 28.02.2022, accordingly, after discussions with the officials of Water Resource Department, Company has deposited Rs. 25,00,000 under protest and renewed the water agreement for another 3 years w.e.f. 01.03.2022 to 28.02.2025.

27 Commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for, net of advances paid Rs. 27,43,53,972 (Previous Year - Rs. 38,43,75,737). Estimated amount of export obligations to be fulfilled in respect of assets imported under Export Promotion Capital Goods Scheme (EPCG) – Rs. 57,39,31,602 (Previous year- Rs. 70,82,64,570).

28 The Company is engaged in the business of manufacturing, trading and sale of a range of refractories and is having its manufacturing facilities located in India. The performance of the Company is assessed and reviewed by the Chief Operating Decision Maker ('CODM') as a single operating segment and accordingly manufacture and sale of refractories is the only operating segment. There is only one customer (Previous Year: One) contributing more than 10% of total revenues of the company amounting to Rs. 290,03,54,558 (Previous Year: Rs. 241,42,78,225). The Company is domiciled in India, however also sells its products outside India. Revenue from geographic segments based on location of customer is (a) Domestic Rs. 1611,20,41,167 (Previous Year: Rs. 1183,32,05,134) and (b) Rest of the world: Rs. 312,34,60,239 (Previous Year: Rs. 240,60,72,130). Non-current assets from geographic segments based on location of customer is (a) Domestic Rs. 541,58,87,922 (Previous Year: Rs. 491,79,91,950) and (b) Rest of the world Nil : (Previous Year: Nil).

29 Company as a Lessee

Following are the changes in the carrying value of right-of-use assets for the year ended March 31, 2022.

		Buildings
Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Opening gross block	22,05,19,267	20,32,04,645
Reclassification ed on account of adoption of Ind AS 116 as at 1 April 2021		
Additions	33,73,170	3,14,71,464
Deletion	—	14,156,842
Closing gross block at the end of the year	**22,38,92,437**	**22,05,19,267**
Opening accumulated depreciation	**3,45,92,404**	**18,711,055**
Additions	1,99,71,235	1,94,27,679
Deletion	—	35,46,330
Closing accumulated depreciation at the end of the year	**5,45,63,639**	**3,45,92,404**
Closing balance as of March 31, 2022	**16,93,28,798**	**18,59,26,863**

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

The following is the break-up of current and non-current lease liabilities as at March 31, 2022

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Current lease liabilities	1,54,55,503	1,20,66,541
Non-current lease liabilities	18,19,33,033	19,41,16,397
Total	**19,73,88,536**	**20,61,82,938**

The following is the movement in lease liabilities during the year ended March 31, 2022.

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Balance at the beginning of the year	20,61,82,938	19,54,05,204
Additions	33,73,170	3,14,71,464
Finance cost accrued during the year	1,37,12,291	1,38,52,087
Deletion	—	1,11,34,838
Payment of lease liabilities	2,58,79,863	2,34,10,979
Balance at the end of the year	**19,73,88,536**	**20,61,82,938**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	2,85,16,672	2,58,68,121
One to five years	12,67,79,743	12,81,90,011
More than five years	13,14,83,306	15,49,82,179
Total	**28,67,79,721**	**30,90,40,311**

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

The Company incurred Rs. 4,54,02,881 (previous year Rs. 3,78,26,806) towards expenses relating to short term leases and leases of low value assets.

The total cash outflow for leases is Rs. 7,12,82,744 (previous year Rs. 6,12,37,785) including cash outflow for short term and leases of low value assets.

Company as a Lessor

Company has leased out buildings to its employees and has also provided leased accommodation to its employees for residential purposes. There is no such long term contracts with employees for the above leasing. The total rental income with respect to above leasing activities amounts to Rs. 1,86,83,825 (previous year Rs.1,82,42,871) included in note 17(c).

30 Employee Benefits

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

(1) Defined Contribution Plan

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

a) Provident Fund and Employees Pension Fund

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

b) Superannuation Fund

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

c) Other funds

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

d) Expenses recognized in respect of above

Expenses recognized in respect of above The Company has recognized, in the Statement of Profit and Loss account for the year ended 31 March 2022, an amount of Rs. 9,78,09,882 (Previous Year: Rs. 8,97,81,612) being expenses under the defined contribution plans like Provident Fund, Superannuation fund, Employee pension scheme, Employee State Insurance Scheme and Her Majesty's Revenue and Customs (UK).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

(2) Defined Benefit Plans

The Company operates post retirement defined benefit plans as follows:

a) Funded

(i) Post Retirement Gratuity

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

b) Unfunded:

(i) Post Retirement Medical Benefits

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

(ii) Pension to Directors

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

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

		April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
I.	**Change in present value of defined benefit obligation during the year**		
1.	Present Value of defined benefit obligation as at the beginning of the year	38,40,86,595	33,43,03,407
2.	Current Service Cost	2,75,34,760	2,24,57,170
3.	Interest Cost on the defined benefit obligation	2,28,47,130	2,13,52,840
4.	Actuarial (gains)/ losses - Experience	(52,30,650)	1,52,84,110
5.	Actuarial losses - Financial Assumptions	(2,26,830)	2,35,86,690
6.	Benefits paid from plan assets	(2,59,81,500)	(3,28,97,622)
7.	Closing Present Value of defined benefit obligation	**40,30,29,505**	**38,40,86,595**
II.	**Change in fair value of plan assets during the year**		
1.	Fair Value of assets at the beginning of the year	32,04,65,512	31,24,01,294
2.	Interest Income on Plan Assets	2,10,38,950	2,10,29,210
3.	Employer contributions	5,00,00,000	2,00,00,000
4.	Return on plan assets greater than discount rate	—	-67,370
5.	Benefits paid	(2,59,81,500)	(3,28,97,622)
6.	Fair Value of Plan assets at the end of current year	**36,55,22,962**	**32,04,65,512**
III.	**Net liability recognized in the balance sheet**		
1.	Fair value of plan assets	36,55,22,962	32,04,65,512
2.	Present value of obligation	40,30,29,505	38,40,86,595
3.	Amount recognized in the balance sheet	**3,75,06,543**	**6,36,21,083**
IV.	**Expense recognized in the statement of profit and loss for the year**		
1.	Current service cost	2,75,34,760	2,24,57,170
2.	Net interest on net defined benefit liability	18,08,180	3,23,630
3.	Total expenses included in employee benefits expense	**2,93,42,940**	**2,27,80,800**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

		April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
V.	**Recognized in other comprehensive income for the year**		
	1. Actuarial (gains)/ losses due to defined benefit obligation experience	(52,30,650)	1,52,84,110
	2. Actuarial loss due to defined benefit obligation financial assumption changes	(2,26,830)	2,35,86,690
	3. Return on plan assets greater than discount rate	—	67,370
	4. Actuarial loss recognized in other comprehensive income	**(54,57,480)**	**3,89,38,170**
VI.	**Maturity profile of defined benefit obligation**		
	1. Within the next 12 months (next annual reporting period)	4,27,47,090	3,41,70,720
	2. Between 2 and 5 years	14,08,96,450	16,68,26,460
	3. Between 6 and 10 years	23,10,87,540	18,64,04,260

4. The weighted average duration of the defined benefit obligation at the end of the reporting period is 8 years (31 March 2021: 8 years)

		April 2021 to March 2022	April 2020 to March 2021
VII.	**Quantitative sensitivity analysis for significant assumption is as below**		
	1. Increase/ (decrease) on present value of defined benefits obligation at the end of the year		
	(i) One percentage point increase in discount rate	(3,14,55,470)	(3,08,74,960)
	(ii) One percentage point decrease in discount rate	3,66,85,300	3,60,46,530
	(i) One percentage point increase in rate of salary increase	3,58,00,100	3,51,70,980
	(ii) One percentage point decrease in rate of salary increase	(3,13,36,880)	(3,07,56,950)

2. Sensitivity Analysis Method

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

3. Expected Employer Contribution for the period ending 31 March 2023 is Rs. 3,80,00,000

VIII. Investment Details

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

		April 2021 to March 2022	April 2020 to March 2021
IX.	**Assumptions**		
	a. Discount rate (per annum)	6.50%	6.00%
	b. Rate of escalation in salary (per annum)	8.00%	7.50%

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

Description	April 2021 - March 2022 ₹		April 2020 - March 2021 ₹	
	Medical	Ex-MD Pension	Medical	Ex-MD Pension
I Reconciliation of opening and closing balances of obligation				
1. Present Value of defined benefit obligation as at the beginning of the year	8,16,13,546	4,43,45,355	7,54,10,818	4,39,26,705
2. Current Service Cost	12,97,520	—	10,38,960	—
3. Interest Cost on the defined benefit obligation	47,97,380	25,52,590	50,25,650	28,60,820
4. Actuarial (gains)/ losses - Experience / demographic	1,49,19,460	35,62,280	(44,38,240)	(19,91,200)
5. Actuarial losses- Financial Assumptions	(58,41,260)	47,89,860	64,89,740	26,85,830
6. Benefits paid directly by the Company	(32,23,710)	(36,14,100)	(19,13,382)	(31,36,800)
7. Closing Present Value of defined benefit obligation	**9,35,62,936**	**5,16,35,985**	**8,16,13,546**	**4,43,45,355**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

Description	April 2021 - March 2022 ₹		April 2020 - March 2021 ₹	
	Medical	Ex-MD Pension	Medical	Ex-MD Pension
II. Expense recognized in the statement of profit and loss for the year				
1. Current service cost	12,97,520	—	10,38,960	—
2. Net interest on net defined benefit liability	47,97,380	25,52,590	50,25,650	28,60,820
3. Total expenses included in employee benefits expense	**60,94,900**	**25,52,590**	**60,64,610**	**28,60,820**
III. Recognized in other comprehensive income for the year				
1. Actuarial (gain)/ loss due to defined benefit obligation experience	1,49,19,460	35,62,280	(44,38,240)	(19,91,200)
2. Actuarial loss due to defined benefit obligation financial assumption changes	(58,41,260)	47,89,860	64,89,740	26,85,830
3. Actuarial (gains)/ losses recognized in other comprehensive income	**90,78,200**	**83,52,140**	**20,51,500**	**6,94,630**
IV. Assumptions				
a. Discount rate (per annum) at the beginning of the year	6.00%	6.00%	6.75%	6.75%
b. Discount rate (per annum) at the end of the year	6.50%	6.50%	6.00%	6.00%
c. Rate of pension increase	—	8.00%	—	8.00%
d. Medical costs inflation rate	4.00%	—	4.00%	—
e. Average Medical Cost (Rs./ person)	1,930	—	1,855	—
V. Quantitative sensitivity analysis for significant assumption is as below Increase/ (decrease) on present value of defined benefits obligation at the end of the year				
(i) One percentage point increase in discount rate	(1,00,38,280)	(40,71,990)	(84,51,480)	(35,21,610)
(ii) One percentage point decrease in discount rate	1,23,40,160	46,63,710	1,03,47,420	40,50,580
(i) One percentage point increase in medical inflation rate	1,20,99,050	-	16,92,150	-
(ii) One percentage point decrease in medical inflation rate	(99,98,720)	-	(14,70,880)	-
(i) One percentage point increase in pension rate	-	42,13,180	-	39,31,140
(ii) One percentage point decrease in pension rate	-	(37,55,840)	-	(34,90,870)
VI. Maturity profile of defined benefit obligation				
1. Within the next 12 months (next annual reporting period)	53,77,560	35,63,360	50,14,270	30,26,360
2. Between 2 and 5 years	2,44,06,160	1,56,56,920	2,15,58,780	1,28,45,880
3. Between 6 and 10 years	3,48,54,820	2,22,10,710	2,95,32,900	1,70,27,410
VII. Weighted Average Duration of defined benefit obligation	12 years	9 years	12 years	9 years

d) Risk exposure

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

31 Income Taxes

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

Particulars	April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
Profit before tax	137,12,59,612	46,54,00,001
Add :(profit) / Loss of associate Company	(61,18,959)	8,53,56,180
Less: Expenses recognized in other comprehensive income	1,19,72,860	4,16,84,300
Adjusted Profit before tax (A)	**135,31,67,793**	**50,90,71,881**
Tax rate (B)	25.168%	25.168%
Tax expense (A*B)	**34,05,65,270**	**12,81,23,211**
Add: Tax effect of expenses that are not deductible for tax purposes: CSR Expenses	53,03,644	56,47,346
Add: Taxation for earlier years	—	29,78,009
Less: Tax effect of Income exempt from tax: Dividend Income	13,088	(5,197,892)
Add: Additional tax expense (deferred tax expense) due to change in tax rate	—	—
Less: Tax effect on exceptional item	(91,72,461)	(1,98,33,363)
Less: Other differences	(10,10,279)	(132,23,935)
Income tax expense charged to the Statement of Profit and Loss	**33,56,99,262**	**9,84,93,376**
Tax expense recognized in profit and loss	33,38,61,264	10,82,94,113
Income tax expenses recognized in Other Comprehensive Income	(13,73,539)	(98,00,737)
Income tax expense charged to the Statement of Profit and Loss	**33,24,87,725**	**9,84,93,376**

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

Particulars	Balance sheet		Statement of profit and loss		Other comprehensive income	
	As at 31.03.2022 ₹	As at 31.03.2021 ₹	April '21 to March '22 ₹	April '20 to March '21 ₹	April '21 to March '22 ₹	April '20 to March '21 ₹
Deductible temporary difference						
(i) Expense/ provision allowed on payment basis	6,89,63,404	7,14,43,270	(38,53,404)	68,08,799	13,73,539	98,00,737
(ii) Unpaid Royalty	1,34,84,260	77,55,353	57,28,907	(1,31,78,381)		—
(iii) Friendly departure scheme	5,60,018	9,28,995	(3,68,977)	(5,13,212)		—
(iv) Others	3,91,05,082	2,43,77,589	1,47,27,493	(17,45,109)		—
Total (A)	**12,21,12,764**	**10,45,05,207**	**1,62,34,019**	**(86,27,903)**	**13,73,539**	**98,00,737**
Taxable temporary difference						
Property, Plant and Equipment	19,96,31,006	17,16,73,173	27,957,833	97,47,959		—
Deffered tax liability on share of profit of associate	(2,04,83,322)	(1,72,71,785)	(32,11,536)	(1,83,04,191)		—
Total (B)	**17,91,47,684**	**15,44,01,388**	**2,47,46,297**	**(85,56,232)**	**—**	**—**
Deferred Tax liability (B-A)	**5,70,34,920**	**4,98,96,181**	**85,12,278**	**71,671**	**(13,73,539)**	**(98,00,737)**

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

* The total income tax expenses recognised in the Statement of Profit and Loss under Other Comprehensive income is inclusive of deferred tax release of Rs. 13,73,539 (Previous year - Rs. 98,00,737)

c. **Reconciliation of deferred tax liability**

Particulars	As at 31 March 2022 ₹	As at 31 March 2021 ₹
Opening balance as at 1 April	4,98,96,181	5,96,25,247
Add: Deferred tax charge / (release) during the year	71,38,739	(97,29,066)
Closing balance as at 31 March	**5,70,34,920**	**4,98,96,181**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

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

Particulars	Balance as at 1 April 2021	Cash Flows	Non-Cash Changes	Balance as at 31 March 2022
Borrowings	209,24,60,405	98,50,28,950	(22,71,746)	307,52,17,609
Lease liabilities	20,61,82,938	(2,58,79,863)	1,70,85,461	19,73,88,536
Total Liabilities from financing activities	**229,86,43,343**	**95,91,49,087**	**1,48,13,715**	**327,26,06,145**

Particulars	Balance as at 1 April 2020	Cash Flows	Non-Cash Changes	Balance as at 31 March 2021
Borrowings	233,16,79,996	(22,16,12,616)	(1,76,06,975)	209,24,60,405
Lease liabilities	19,54,05,204	(2,34,10,979)	3,41,88,713	20,61,82,938
Total Liabilities from financing activities	**252,70,85,200**	**(24,50,23,595)**	**1,65,81,738**	**229,86,43,343**

33 FINANCIAL INSTRUMENTS

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

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

(a) Financial Instruments by Category

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

As at 31 March 2022

Particulars	Amortised cost ₹	Fair value through other comprehensive income ₹	Derivative instruments ₹	Total Carrying Value ₹	Total Fair Value ₹
Financial assets					
Trade receivables	299,01,91,895	—	—	299,01,91,895	299,01,91,895
Investments	—	1,47,03,500	—	1,47,03,500	1,47,03,500
Cash and bank balances	3,73,11,494	—	—	3,73,11,494	3,73,11,494
Loans	80,79,230	—	—	80,79,230	80,79,230
Other financial assets	6,31,44,837	—	25,81,361	6,57,26,198	6,57,26,198
Total	**309,87,27,456**	**1,47,03,500**	**2,581,361**	**311,60,12,317**	**311,60,12,317**
Financial liabilities					
Borrowings	307,52,17,609	—	—	307,52,17,609	307,52,17,609
Trade payables	301,84,73,860	—	—	301,84,73,860	301,84,73,860
Lease liabilities	19,73,88,536	—	—	19,73,88,536	19,73,88,536
Other financial liabilities	8,35,20,323	—	—	8,35,20,323	8,35,20,323
Total	**637,46,00,328**	**—**	**—**	**637,46,00,328**	**637,46,00,328**

As at 31 March 2021

Particulars	Amortised cost ₹	Fair value through other comprehensive income ₹	Derivative instruments ₹	Total Carrying Value ₹	Total Fair Value ₹
Financial assets					
Trade receivables	237,15,05,637	—	—	237,15,05,637	237,15,05,637
Investments	—	1,49,36,500	—	1,49,36,500	1,49,36,500
Cash and bank balances	1,31,33,513	—	—	1,31,33,513	1,31,33,513
Loans	1,47,49,981	—	—	1,47,49,981	1,47,49,981
Other financial assets	6,35,30,626	—	—	6,35,30,626	6,35,30,626
Total	**246,29,19,757**	**1,49,36,500**	**—**	**247,78,56,257**	**247,78,56,257**
Financial liabilities					
Borrowings	209,24,60,405	—	—	209,24,60,405	209,24,60,405
Trade payables	288,16,67,362	—	—	288,16,67,362	288,16,67,362
Lease liabilities	20,61,82,938	—	—	20,61,82,938	20,61,82,938
Other financial liabilities	22,87,24,211	—	17,47,778	23,04,71,989	23,04,71,989
Total	**540,90,34,916**	**—**	**17,47,778**	**541,07,82,694**	**541,07,82,694**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

(b) Fair value hierarchy

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

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

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

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

As at 31.03.2022

Particulars	Carrying Amount		Fair Value	
		Level 1	Level 2	Level 3
	₹	₹	₹	₹
Financial assets				
Investment - Equity share (HDFC Bank)	1,47,03,500	1,47,03,500	—	—
Financial liabilities				
Derivative liabilities - forward cover	25,81,361	—	25,81,361	—
As at 31 March 2021				
Financial assets				
Investment - Equity share (HDFC Bank)	1,49,36,500	1,49,36,500	—	—
Financial liabilities				
Derivative liabilities - forward cover	17,47,778	—	17,47,778	—

(c) Financial Risk Management Policies And Objectives:

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

Market risk

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

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

Interest rate risk

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

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

Foreign currency risk

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

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

Liquidity Risk

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

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

Particulars	Carrying Value	Contractual Cash flow	Less than one year	Between one to five years	More than five years
Non derivative financial liabilities					
BBorrowings including interest obligations	307,52,17,609	330,31,51,216	244,64,67,957	85,66,83,259	—
	209,24,60,405	*234,86,04,274*	*121,21,97,954*	*113,64,06,320*	—
Trade payables	301,84,73,860	301,84,73,860	301,84,73,860	—	—
	288,16,67,362	*288,16,67,362*	*288,16,67,362*	—	—
Lease liabilities	19,73,88,536	28,67,79,721	2,85,16,672	12,67,79,743	13,14,83,306
	20,61,82,938	*30,90,40,311*	*2,58,68,121*	*12,81,90,011*	*15,49,82,179*
Other financial liabilities	8,35,20,323	8,35,20,323	8,35,20,323	—	—
	22,87,24,211	*22,87,24,211*	*22,87,24,211*	—	—
Derivative financial liabilities	—	—	—	—	—
	17,47,778	*17,47,778*	*17,47,778*	—	—

Note- Figures in italics relates to previous year.

Credit Risk

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

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

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

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

(d) Foreign Currency exposure as at 31 March 2022 ₹

Particulars	USD	EUR	JPY	GBP	Others	Total
Financial Assets						
Trade Receivables	27,72,46,333	21,21,28,514	-	14,47,86,833	—	63,41,61,681
Bank balance in Current account	—	—	—	4,47,481	—	4,47,481
Other Assets	8,95,424	17,28,854		3,48,246	53,602	30,26,126
Financial Liabilities						
Trade Payables	(76,57,64,390)	(5,70,74,303)	(5,24,90,850)	(4,90,343)	(1,10,83,818)	(88,69,03,704)
Loan in Foreign Currency	(29,16,26,753)	(6,78,64,386)	—	(4,19,89,432)	—	(40,14,80,571)
Advance from Customers	(4,05,45,436)	—	—	—	—	(4,05,45,436)
Net Exposure to Foreign Currency Risk	**(81,97,94,822)**	**8,89,18,679**	**(5,24,90,850)**	**10,31,02,785**	**(1,10,30,216)**	**(69,12,94,423)**

Foreign Currency exposure as at 31 March 2021 ₹

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

(e) Sensitivity Analysis

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

₹

Particulars	April 2021 to March 2022		April 2020 to March 2021	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	(81,97,948)	81,97,948	(52,45,888)	52,45,888
EUR	8,89,187	(8,89,187)	3,50,740	(3,50,740)
JPY	(5,24,909)	5,24,909	(1,81,892)	1,81,892
GBP	10,31,028	(10,31,028)	8,56,963	(8,56,963)
Others	(1,10,302)	1,10,302	(79,870)	79,870
Increase / (decrease) in profit	**(69,12,944)**	**69,12,944**	**(42,99,947)**	**42,99,947**

(f) Interest rate risk

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

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

	April 2021 to March 2022	April 2020 to March 2021
Company’s debt obligation (Floating rates)	307,52,17,609	209,24,60,405

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

If interest rate had been 25 basis point higher/ lower and all other variables held constant, the company's profit before tax for the ended 31 March 2022 would decrease/ increase by Rs. 76,88,044 (Previous year - Rs. 52,31,151). This is mainly attributable to the company's exposure to interest rates on its floating rate borrowings.

(g) Securities price risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices. The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. The value of investments in such equity instruments as at 31 March 2022 is Rs. 1,47,03,500 (Previous year - Rs. 1,49,36,500). Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

34 Capital management

The Company's capital management is intended to safeguard its ability to continue as a going concern so that to create value for shareholders and benefits for other stakeholders by facilitating the achievement of long term and short term goals of the Company. The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations, long term and short term bank borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances and other financial assets. The table below summarises the capital, net debt and net debt equity ratio of the Company.

	As at 31 March 2022 ₹	As at 31 March 2021 ₹
Total borrowings	307,52,17,609	209 ,24,60,405
Less: cash and cash equivalents, other bank balances and other financial assets	10,30,37,692	1,51,60,927
Net Debt	**297,21,79,917**	**207,72,99,478**
Equity	**604,33,66,587**	**515,05,60,560**
Total Capital (Equity + Net Debt)	**901,55,46,504**	**722,78,60,038**
Net Debt to Equity Ratio	**0.49**	**0.40**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

35 Note on Revenue disggregation

	India ₹	Out side India ₹	Total ₹
Sale of products	1408,14,07,329	309,10,79,829	1717,24,87,158
	1043,68,16,839	*235,32,36,945*	*1279,00,53,784*
Income from sale of services	185,35,15,012	3,23,80,410	188,58,95,422
	126,20,07,953	*5,28,35,185*	*131,48,43,138*
Other operating revenue	17,71,18,826	-	17,71,18,826
	13,43,80,342	*-*	*13,43,80,342*
Total revenue from operations	**1611,20,41,167**	**312,34,60,239**	**1923,55,01,406**
	1183,32,05,134	*240,60,72,130*	*1423,92,77,264*

Figures in italics relates to previous year.

Revenue Reconciliation

	April 2021 to March 2022 ₹	April 2020 to March 2021 ₹
Total Revenue	1931,01,62,694	1429,36,41,412
Less: variable consideration (Cash Discount)	7,46,61,288	5,43,64,148
Total revenue from operations	**1923,55,01,406**	**1423,92,77,264**

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

36 Contract Liability

The Company has recognised Revenue from Sale of products and Income from sale of Services amounting to Rs. 1,97,86,669 during the year ended 31 March 2022 against the advance received from customer which was outstanding as on 31 March 2021. (Previous year: Rs. 7,04,77,924 against adavnce received from customer which was outstanding as on 31 March 2020)

37 Fire incident at Dolomite Plant

The fire was broken out on 3rd March'2022 in the dolomite plant at around 7.40 AM. It is estimated that loss in inventory is Rs. 189.40 lakhs including raw materials, finished goods and work-in-progress which was already charged in the accounts.

In addition to it there is loss of Rs. 922.28 lakhs in the property, plant, and equipment and others (gross block of assets was Rs. 828.14 lakhs and the net block was Rs. 22.62 lakhs, depreciation during the previous years Rs. 805.52 lakhs) which has already depreciated in the previous year.

We are assessing the amount to be claimed with the insurance company including replaceable value of property, plant, and equipment.

38 Related Party Disclosures

a) List of related parties of TRL Krosaki Refractories Limited

Sl. No.	Name	Country of Incorporation	% of Equity Interest As at 31 March 2022	% of Equity Interest As at 31 March 2021
i)	**Parent Entity (Holding company)**			
	Krosaki Harima Corporation	Japan	77.62	77.62
ii)	**Associate Companies**			
	TRL Krosaki Asia Pte Limited	Singapore	37	37
	Almora Magnesite Limited	India	39	39
iii)	**Entity having significant influence over holding Company (Ultimate Holding Company)**			
	Nippon Steel Corporation (Formerly known as Nippon Steel & Sumitomo Metal Corporation)	Japan		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022
(Amount in ₹, except otherwise stated)

Sl. No.	Name	Country of Incorporation	% of Equity Interest	
			As at 31 March 2022	As at 31 March 2021
iv)	**Subsidiary of Nippon Steel Corporation**			
	Nippon Steel India Pvt Ltd	India		
	Nippon Steel Engineering India Pvt. Ltd.	India		
	Sanyo Special Steel Co. Ltd	Japan		
v)	**Fellow Subsidiaries**			
	TRL Krosaki China Limited (formerly known as TRL China Limited)	China		
	Krosaki Harima (Shanghai) Enterprise Management Co, Ltd	China		
	Krosaki Harima Europe B.V.	Netherland		
	Krosaki USA Inc. (KUI)	USA		
	Krosaki AMR Refractories S.A.U.	Spain		
vi)	**Associate of Krosaki Harima Corporation**			
	IFGL Refractories Limited (IFGL) (Formerly known as IFGL Exports Limited)	India		
vii)	**Joint Venture of Subsidiary of Nippon Steel Corporation**			
	ArcelorMittal Nippon Steel India Limited	India		
	Mahindra Sanyo Special Steel Pvt Ltd.	India		

viii) Key Managerial Personnel

(I) Directors

Mr. H. M. Nerurkar (Chairman)
Mr. P. B. Panda (Managing Director)
Mr. P. V. Bhide
Mr. R. Ranganath Rao
Mr. Sudhansu Pathak
Mr. Hisatake Okumura
Mr. Asaya Sachihiko
Ms. Shuang Zhu
Mr. Anirban Dasgupta
Mr. Jumpei Konishi (w.e.f. April 27, 2021)
Mr. Toshikazu Takasu (upto April 11, 2021)

(ii) Other than Directors

Mr. M. V. Rao (Ex. Vice President (Finance) & CFO)
Mr. Asim Kumar Meher (Company Secretary) (w.e.f. 08 March, 2022)
Mr. Sambit Mishra (Company Secretary) (upto 19 October, 2021)

ix) Relative of Key Managerial Personnel

Mr. Dinabandhu Panda

x) Employees' Benefit Plans

TRL Krosaki Refractories Limited Provident Fund
TRL Krosaki Refractories Limited Superannuation Fund
TRL Krosaki Refractories Limited Gratuity Fund

Note:

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

b) Transactions with Related Parties

Particulars	Holding Company	Subsidiaries & Associates of the Holding company	Subsidiaries of ultimate Holding company and it's Joint Ventures	Associates of the Company	Key Managerial Personal and relative
Purchase of Raw Materials and goods	25,62,48,114 *12,29,62,252*	83,79,68,455 *55,17,10,708*	– –	2,57,10,752 *1,66,19,288*	– –
Sales and Services	9,81,98,509 *8,08,49,024*	34,61,67,200 *32,61,02,204*	52,79,95,438 *40,36,64,118*	89,47,239 –	– –
Receiving of Services	– –	12,47,732 *7,60,510*	– –	– –	– –
Interest Expenses	– –	– –	20,34,185 *23,98,060*	– –	– –
Royalty	8,30,67,747 *6,41,29,414*	– –	– –	– –	– –
Dividend paid	10,38,26,330 *23,52,31,528*	– –	– –	– –	640 *2,175*
Outstanding Balance -Debtors	2,03,67,814 *1,29,24,653*	17,35,43,001 *16,83,49,511*	8,03,54,153 *7,71,92,012*	– –	– –
Loans and advances recovered	– –	– –	– –	– –	60,000 *60,000*
Outstanding Loan Balance	– –	– –	– –	– –	85,000 *1,45,000*
Creditors	14,37,50,496 *6,14,84,303*	4,21,05,847 *9,20,88,542*	– –	18,94,567 *12,67,532*	– –
Loans and Advances Received	– –	2,112 *2,548*	23,38,251 –	– –	– –
Short term employee benefits	– –	– –	– –	– –	3,73,96,660 *3,68,41,272*
Post employment benefits (Refer Note b below)	– –	– –	– –	– –	34,78,243 *30,88,816*
Commission	– –	– –	– –	– –	45,96,000 *75,59,000*
Sitting Fees (Refer Note e below)	– –	– –	– –	– –	37,20,000 *39,45,000*

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

Terms and conditions of transactions with related parties

(a) All related party transactions entered during the year were in ordinary course of the business and are at arm's length basis for the year ended 31 March 2022 and the Company has not recorded any impairment of receivables relating to amounts owed by related parties (Previous Year: nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates

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

(c) During the year, the Company has contributed Rs.12,67,52,970 (Previous year: Rs.8,92,45,922) to the post employment benefit plans to the Trusts managed by the Company.

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in ₹, except otherwise stated)

39 Additional Information as per Part II of Schedule III, Companies Act, 2013

Name of the Entity	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹	As % of consolidated profit and loss	Amount ₹	As % of consolidated comprehensive income	Amount ₹	As % of total comprehensive income	Amount ₹
Parent: TRL Krosaki Refractories Limited	97.29%	587,96,23,195	99.41%	103,12,79,389	100.00%	(1,08,32,321)	99.40%	102,04,47,068
Associate (Foreign): TRL Krosaki Asia Pte. Ltd.	2.43%	14,68,08,124	0.52%	54,06,552	0.00%	-	0.53%	54,06,552
Associate (Indian): Almora Magnesite Ltd	0.28%	1,69,35,268	0.07%	7,12,407	0.00%	-	0.07%	7,12,407
Total	**100.00%**	**604,33,66,587**	**100.00%**	**103,73,98,348**	**100.00%**	**(1,08,32,321)**	**100.00%**	**102,65,66,027**

40 Earnings per Share (EPS)

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

		April 2021 to March 2022	April 2020 to March 2021
a)	Profit after Tax	103,73,98,348	35,71,05,888
b)	Profit attributable to Equity Share Holders	103,73,98,348	35,71,05,888
c)	Weighted average number of Equity Shares outstanding during the year	2,09,00,000	2,09,00,000
d)	Nominal Value per share	10	10
e)	Basic / diluted Earning per Equity Share	49.64	17.09

As per our report of even date attached

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

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

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

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

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, May 12, 2022

sd/-
M. V. RAO
EVP (Finance) &
CFO
Kolkata, May 12, 2022

sd/-
ASIM K MEHER
Company Secretary
(ACS : 42427)

Notes to Consolidated Financial Statements for the year ended 31 March 2022 (continued)

(Amount in ₹, except otherwise stated)

Form AOC-I

(Pursuant to sub-section (3) of section 129 of the Companies Act, 2013, related to associate and joint ventures)

Part "A": Subsidiaries NA

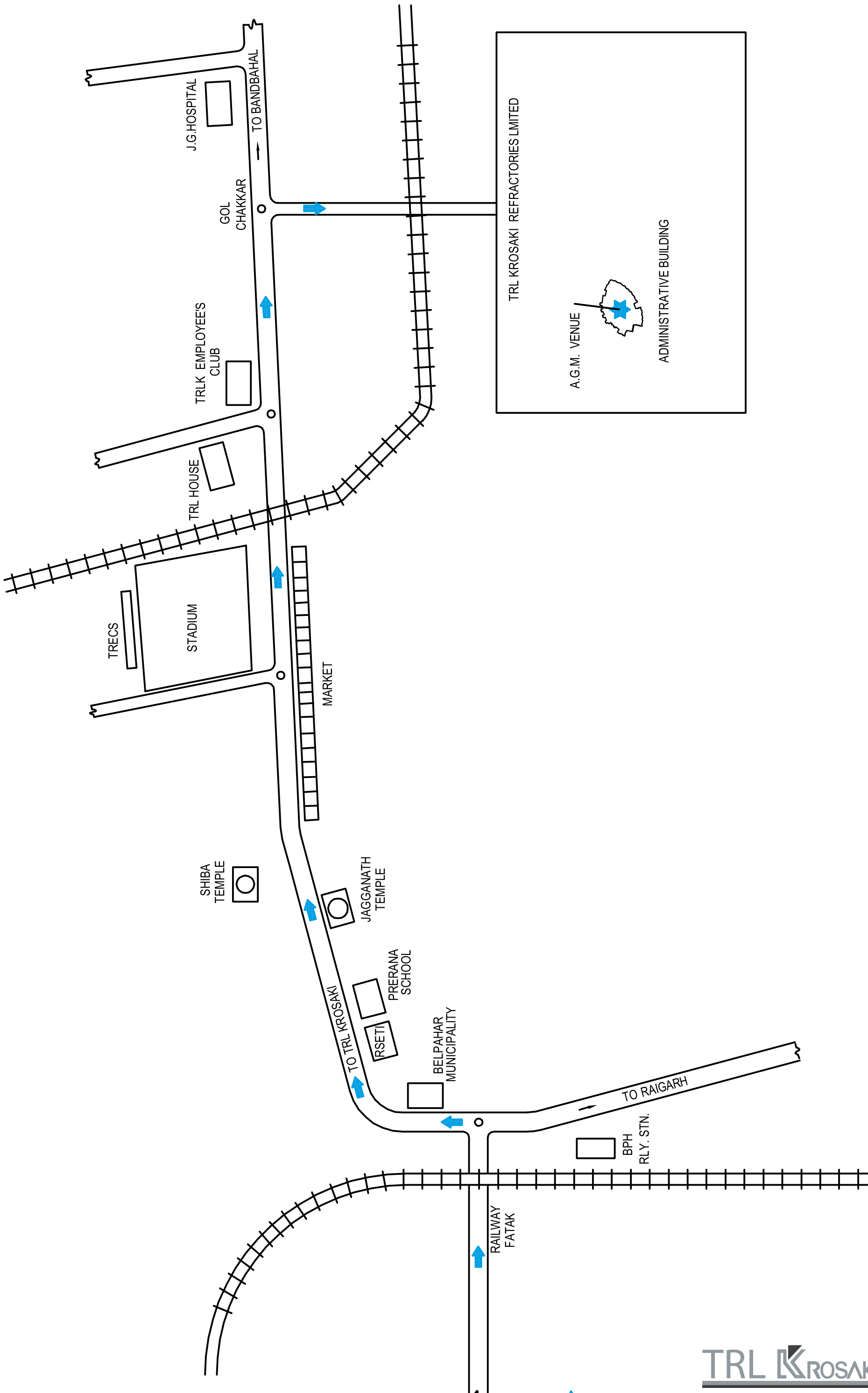
Part "B": Associates

	Name of Associates	TRL Krosaki Asia Pte Ltd	Almora Magnesite Limited
1.	Latest audited Balance Sheet Date	31 March, 2022	31 March, 2021
2.	Date on which the associate was associated or acquired	5 December, 2016	30 March,1973
3.	Reporting Currency	CNY	INR
4.	Share of Associate by the Company on the year end :		
	Number	48,07,584	77,990
	Amount of Investment	13,82,61,575	77,99,000
	Extent of Holding (in percentage)	37.00%	38.995%
5.	Description of how there is significant influence	Controls more than 20% of the total share capital	Controls more than 20% of the total share capital
6.	Reason why the associate is not consolidated	NA	NA
7.	Networth attribute to share holding as per latest audited Balance Sheet	29,36,31,760	2,48,08,077
8.	Profit or Loss for the year :		
	i) Considered in Consolidation	54,06,552	7,12,407
	ii) Not Considered in Consolidation	—	—

Names of Associates or Joint Ventures which are yet to commence Operations : NIL

Names of Associates or Joint Ventures which have been liquidated or sold during the year : NIL

Route Map to the AGM Venue



TRL KROSAKI REFRACTORIES LIMITED

TRL KROSAKI

TRL Krosaki Refractories Limited

Registered Office: Belpahar, Dist.: Jharsuguda, Odisha- 768218.
Tel.: +91 6645 258417, Corporate Identification No. :(CIN) - U26921OR1958PLC000349
Website: www.trlkrosaki.com , Email: asim.meher@trlkrosaki.com

Attendance Slip

(To be presented at the entrance)

63rd ANNUAL GENERAL MEETING ON MONDAY, 19TH SEPTEMBER, 2022 AT 16.00 PM IST

At Registered Office: Belpahar, Dist.: Jharsuguda, Odisha- 768218.

Folio No. ________________________________ DP ID No. ___________________ Client ID No. ________________________

Name of the Member: ____ Signature: __________________________

Name of the Proxyholder: ____ Signature: __________________________

I hereby record my presence at the 63rd Annual General Meeting of the Company held on Monday, 19th September, 2022 at 16.00 PM IST at Registered Office P.O. Belpahar, Dist.: Jharsuguda, Odisha-768218.

1. Only Members/Proxyholder can attend the Meeting.
2. Member/Proxyholder should bring his/her copy of the annual report for reference at the meeting.

TRL KROSAKI

TRL Krosaki Refractories Limited

Registered Office: Belpahar, Dist.: Jharsuguda, Odisha- 768218.
Tel.: +91 6645 258417, Corporate Identification No. :(CIN) - U26921OR1958PLC000349
Website: www.trlkrosaki.com , Email: asim.meher@trlkrosaki.com

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): ____

Registered Address: ____

E-mail Id: ____

Folio No. /Client ID No. ___________________________________ DP ID No. ____________________________________

I/We, being the member(s) of ________________________ Equity Shares of TRL Krosaki Refractories Limited, hereby appoint

1. Name: ____ E-mail Id: ____________________________________

   Address: ____

   ____ Signature: _________________________ or failing him

2. Name: ____ E-mail Id: ____________________________________

   Address: ____

   ____ Signature: _________________________ or failing him

3. Name: ____ E-mail Id: ____________________________________

   Address: ____

   ____ Signature: ____________________________________

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 63rd Annual General Meeting of the Company to be held on Monday, 19th September, 2022 at 16.00 PM IST at Registered Office P.O. Belpahar, Dist.: Jharsuguda, Odisha-768218 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

**I wish the above proxy to vote in the manner as indicated in the box below:

Resolution No.	Resolution	For	Against
Ordinary Business			
1	Consider and adopt the Audited Standalone Financial Statement for the financial year ended 31st March, 2022 and the Reports of the Board of Directors and Auditors thereon.		
2	Consider and adopt the Audited Consolidated Financial Statement for the financial year ended 31st March, 2022 and the Reports of the Auditors thereon.		
3	Declaration of dividend on Ordinary (equity) Shares for Financial Year 2021-22.		
4	Appointment of Director in place of Mr. Anirban Dasgupta (DIN:06832261), who retires by rotation and being eligible, seeks re-appointment.		
5	Appointment of BSR & Co. LLP, Chartered Accountants as Statutory Auditors of the Company from the conclusion of 63rd Annual General Meeting till the conclusion of 68th Annual General Meeting to be held on 2027.		
Special Business			
6	Retirement of Ms. Shuang Zhu (DIN:08745245), who retires by rotation in this Annual General Meeting.		
7	Ratification of Cost Auditors' Remunerations for the Financial Year 2021-22.		
8	Commission to Non-executive Directors of the Company for a period of 5 years commencing from 1st April, 2022.		

Signed this ______________________day of ____________________2022

AFFIX Revenue Stamp of

Signature of Shareholder __________________________________Signature of Proxyholder(s)_____________________________

Notes:

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company P.O. Belpahar, Dist.: Jharsuguda, Odisha-768218 not less than 48 hours before the commencement of the Meeting.

**2. This is only optional, please put a '✓' in the appropriate column against the resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

3. Appointing proxy does not prevent a member from attending in person if he/she so wishes.

4. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated .

To,

TRL Krosaki Refractories Limited

Registered Office :
P.O. Belpahar,
Dist. Jharsuguda-768218
Odisha

Updation of Shareholders Information

I/We request you to record the following information against my/our Folio No.:

General Information:

Folio No.:	
Name of the first named Shareholder:	
PAN:*	
CIN/Registration No.:* (applicable to Corporate Shareholders)	
Tel. No. with STD Code:	
Mobile No.:	
E-mail id:	

*Self-attested copy of the document(s) enclosed.

Bank Details:

IFSC: (11 digit)	
Bank A/c Type:	
Bank A/c No.: *	
Name of the Bank:	
Bank Branch Address:	

*A blank cancelled cheque is enclosed to enable verification of bank details.

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/We would not hold the Company responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that the above details shall be maintained till I/We hold the securities under the above mentioned Folio Number.

Place:

Date:

Signature of Sole/First holder

To,

Depository Participant

____

____

____

Updation of Shareholders Information

I/We request you to record the following information against my/our Folio No./DP ID/Client ID:

General Information:

Folio No. / DP Id / Client Id :	
Name of the first named Shareholder:	
PAN:*	
CIN/Registration No.:* (applicable to Corporate Shareholders)	
Tel. No. with STD Code:	
Mobile No.:	
E-mail id:	

*Self-attested copy of the document(s) enclosed.

Bank Details:

IFSC: (11 digit)	
Bank A/c Type:	
Bank A/c No.: *	
Name of the Bank:	
Bank Branch Address:	

*A blank cancelled cheque is enclosed to enable verification of bank details.

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/We would not hold the Company/RTA responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that the above details shall be maintained till I/We hold the securities under the above mentioned Folio No.

Place:

Date:

____

Signature of Sole/First holder

Note : Shareholders holding shares in physical mode and having Folio No(s) should provide the above information to TRL Krosaki Refractories Ltd. Shareholders holding Demat shares are required to update their details with the Depositary Participant.

Awards & Accolades

Mines Safety Award

Golden Peacock CSR Award

Top 10 Refractories Manufacturer

CII ER Quality Award

Golden Peacock HR Excellence Award

ICC Social Impact Award

Alumina Graphite Plant Inaugurated at Belpahar

TRL KROSAKI REFRACTORIES LIMITED

CIN : U26921OR1958PLC000349
Belpahar Jharsuguda Odisha 768 218
Visit us at: www.trlkrosaki.com

Designed and Printed at Purnima Printers Pvt. Ltd., Ph. : 0657-2300148