



ELECTROTHERM[®]

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Engineering
&
Technologies

TMT Steel Bar

Ductile Iron
Pipe

Electric
Vehicle



33rd ANNUAL REPORT
2018-19



CORPORATE INFORMATION

Board of Directors

Mr. Mukesh Bhandari	Chairman
Mr. Shailesh Bhandari	Managing Director
Mr. Siddharth Bhandari	Whole Time Director
Mr. Dinesh Mukati	Independent Director
Mr. Pratap Mohan	Independent Director
Mr. Arun Kumar Jain	Independent Director
Ms. Nivedita Sarda	Independent Director

Key Managerial Personnel

Mr. Pawan Gaur	Chief Financial Officer
Mr. Fageshkumar R. Soni	Company Secretary

Auditors

Hitesh Prakash Shah & Co.	Statutory Auditors
Bharat Prajapati & Co.	Secretarial Auditor
V. H. Savaliya & Associates	Cost Auditor
RSM Astute Consulting (Guj.) Pvt. Ltd.	Internal Auditor

Banks / Financial Institutions

Edelweiss Asset Reconstruction Company Limited
 Invent Assets Securitisation & Reconstruction Pvt. Ltd.
 Rare Asset Reconstruction Ltd.
 (Formerly Raytheon Asset Reconstruction Pvt. Ltd.)
 International Finance Corporation
 Corporation Bank
 Union Bank of India
 Standard Chartered Bank
 Central Bank of India
 Vijaya Bank

Registered Office

A-1, Skylark Apartment,
 Satellite Road, Satellite,
 Ahmedabad – 380015
 CIN : L29249GJ1986PLC009126
 Email : sec@electrotherm.com
 Website: www.electrotherm.com
 Phone: +91-79 - 26768844
 Fax: 91-79 - 26768855

Registrar & Transfer Agent

Link Intime India Private Limited
 5th Floor, 506 to 508, Amarnath Business Centre-I, Beside Gala
 Business Centre, Nr. St. Xavier's College Corner, Off. C G Road,
 Navrangpura, Ahmedabad - 380 009
 Tel No. & Fax. No. : +91-79-2646 5179
 Email : ahmedabad@linkintime.co.in
 Website: www.linkintime.co.in

Engineering & Projects Division

Survey No. 72,
 Village: Palodia,
 Taluka: Kalol,
 Dist: Gandhinagar – 382115,
 Gujarat

Special Steel and DI Pipe Division & Electric Vehicles Division

Survey No. 325,
 N. H. No. 8A, Near Toll Naka,
 Village: Samakhiyali,
 Taluka: Bhachau,
 Dist: Kutch – 370 140
 Gujarat

Transmission Line Tower Division

Village: Juni Jithardi
 Tal: Karjan,
 Dist: Vadodara,
 Gujarat

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CHAIRMAN'S MESSAGE

Dear Shareholders,

The evolution of Steel making through Induction Furnace (IF) Route in India is extremely interesting and needs a relook at this critical juncture, when India is at an inflexion point in terms of new capacity creation and steel production. The Country recently overtook Japan to become the 2nd Largest Steel Producing Nation and is looking to build a total Steelmaking Capacity of 300 Million Tons by 2030.



Steelmaking through Induction Furnace Route was introduced in early 80s when India's Steel production was barely 10–15 MTPA, mostly through Blast Furnace (BF) – Basic Oxygen Furnace (BOF) route. Since then, India's production increased about 10 times, out of which a good portion of the capacity addition happened through Induction Furnace Route – around 30 Million Ton out of 95 Million Ton of capacity addition. Today, about 30% of India's steel production comes from Induction Furnace Route while balance is produced through BF-BOF and Electric Arc Furnace Routes. However, major capacity addition through IF route has happened in last 5 – 10 years, when appropriate technologies and processes have evolved for making this route competent and capable on quality, cost and environmental aspects.

Not only has the size of an Induction Furnace increased from 3 Tons in mid 80s to 60 Tons currently, the power density has also increased substantially. Such gradually increasing Furnace capacity, together with drastic improvement in efficiency of the Induction Furnace has made the operating cost as competitive as any other route, in fact more competitive than EAF route. As more and more Sponge Iron capacity has been added in the Country, Scrap which was the primary raw material for this route, has majorly been replaced by Sponge Iron, especially in Iron Ore Belts.

Almost 60% of the Steel produced through Induction Furnace Route in the Country is produced using Sponge Iron. Also, with a sizeable Pelletisation capacity in the Country of 100 MTPA by 2020, which is further expected to increase to about 250 MTPA by 2030, and the draft of Scrap Policy of Ministry of Steel already in place, raw material availability will not be a problem for the Induction Furnace Route in the foreseeable future.

The technological challenges, specifically with reference to reducing Sulphur and Phosphorus in Steel produced through IF route aggravated due to higher usage of Sponge Iron, has also been resolved fully. The Invent of improvised version of Ladle Refining Furnace (LRF), with appropriate process has eventually made it possible to reduce Phosphorus, besides Sulphur, Gas and Solid Inclusions, enabling integrated route of IF – LRF to produce Construction Grade Steel, whose quality is absolutely at par (in terms of chemical composition and physical & mechanical properties) with BF-BOF or EAF route for TMT bars and other long products like Angles & Channels.

Direct rolling of hot billets from Continuous Casting Machine without cooling and reheating, a Novel Concept adopted in 2012 with availability of High Speed Casters, further revolutionized IF based Steelmaking.

An Integrated Plant based on Induction Furnace Route, comprising of Beneficiation-Pelletisation-Sponge Iron- Power Generation-IF-LRF and Rolling Mill of 1MT capacity will only cost Rs.2500 Crores as against a CAPEX of Rs.6000 Crores per Million needed to commission a plant through the BF-BOF route.

Under these circumstances, wherein integrated IF – LRF route offers several distinct advantages over BF-BOF-LRF or EAF-LRF route, for Construction Grade Steelmaking on one hand and Government of India committed to put the Country on its fastest ever growth path over next one decade or so on the other hand, IF – LRF technology is ideally positioned to contribute maximum in this Steel Journey of the Country. Considering Government of India's intent to spend about Rs.100 Lakh Crores on Infrastructure Development, with intense focus on development of roads & highways, railways, airports, seaports, smart cities, and 1.95 crore houses to be built by the Government in next 2 years and many more Steel-Intensive Projects initiated during last five years, it becomes evident that India will have an installed capacity of 300 MTPA for Steelmaking and actual production in excess of about 255 MTPA by financial year 2030. This is also envisaged by National Steel Policy 2017 of India.

About 40% Steel products are consumed by Construction and Infrastructure Sectors, which is expected to reach 60% by 2030. Therefore, it would be prudent that an atmosphere is created where almost complete Housing Construction and Critical Infrastructure Sectors' requirements are met by Steel produced through Integrated Route of IF – LRF conforming to BIS norms, while Flat Products for automobiles, white goods, electrical grades and other value added grades are produced by Integrated BF-BOF/EAF based plants.

Considering current balance between the three processes of Steelmaking in India, capability of Integrated IF – LRF route to meet all BIS quality norms, lower CAPEX and OPEX, difficulties in getting coking coal for BF, and considerably long gestation period needed for building BF-BOF and EAF based steelmaking plants, we see no reason, why a substantial portion of the new capacity to be added for long products, over the next 10 years, should not be through the Integrated IF-LRF Route.

In view of the above, we believe that the Engineering and Projects Division, which is a major supplier to the Steel Industry, will continue to grow at a rapid pace even from here. Newer products like LRF, APCS and Scrap Processing Machines are expected to contribute more to the total sales of the E&P division starting this year.

The Steel & Pipe Division of the Company continues to do well. ET TMT, the TMT brand of Company, has further consolidated its market share in Gujarat and continues to command a Price Premium. The Company has, during the year, received approvals from a few Key Government Organizations for supply of TMT. This should augur well as Company commissioned its third TMT Rolling Mill. The Company is seeing more demand coming for its TMT products from the fast growing Infrastructure Sector. The Pipe Division also sustained its performance during the year with an increased focus on Exports.

The Company has achieved an overall increase of 32% in its gross consolidated sales and an increase of 97% in its EBIDTA over last year. The gross consolidated sales touched Rs.4681 Crores during the year. The cash flow generated from operations is allowing the Company to meet all its banking repayment obligations.

On behalf of the Board, I thank all the Shareholders of the Company for their support during the year. I would also like to thank the Lenders, Suppliers, Customers, various National and State Government Organizations with whom we have been working, the Employees and the Associates who have stood by the Company and I look forward to their continued support in the future.

Mukesh Bhandari
Chairman
(DIN: 00014511)

NOTICE

NOTICE is hereby given that the **33rd Annual General Meeting** of Members of **Electrotherm (India) Limited** will be held on Monday, 30th September, 2019 at 11.00 a.m. at Ahmedabad Management Association (AMA), ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380015 to transact the following business :

ORDINARY BUSINESS:

1. To consider and adopt audited standalone and consolidated financial statements of the Company for the financial year ended on 31st March, 2019 together with report of Board of Directors and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Siddharth Bhandari (DIN : 01404674), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To ratify the remuneration of the Cost Auditors for the financial year ending on 31st March, 2020:

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the consent of the members be and is hereby accorded to ratify the remuneration decided by the Board of Directors on the recommendation of the Audit Committee of ₹ 2,00,000 (Rupees Two Lakhs Only) to M/s V. H. Savaliya & Associates, Cost Accountants (Membership No.13867) for conducting the audit of cost records of the Company for the financial year ending on 31st March, 2020."

By Order of the Board
For Electrotherm (India) Limited

Date : 31st August, 2019

Place: Palodia

Registered Office:

A-1, Skylark Apartment, Satellite Road,
Satellite, Ahmedabad - 380 015.

Fageshkumar R. Soni
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") OF THE COMPANY IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE AGM.**

A PERSON CAN ACT AS PROXY FOR NOT EXCEEDING 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY

CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER MEMBER.

2. A body corporate intending to send their authorized representative(s) to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of resolution of the Board of Directors or other governing body authorizing such representative(s) to attend and vote on their behalf at the Meeting.
3. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to special business in respect of Item No. 3 of the Notice to be transacted at the Annual General Meeting is annexed hereto.
4. Information pursuant to Regulation 36(3) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 with respect to Directors seeking appointment / re-appointment at the Annual General Meeting is attached hereto.
5. Relevant documents referred to in the accompanying Notice and the statement pursuant to section 102(1) of the Companies Act, 2013 are available for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, Sundays and National Holidays during business hours up to the date of the Annual General Meeting.
6. The requirement to place the matter relating to ratification of appointment of Auditors by Members at every Annual General Meeting is done away with vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the 31st Annual General Meeting, held on 5th September, 2017 for a period of five years.
7. Members are requested to bring their copy of the Annual Report to the Meeting.
8. There is no money lying to unpaid / unclaimed dividend account pertaining to any of the previous years with the Company. As such the Company is not required to transfer such amount to the Investor Education and Protection Fund established by the Central Government.
9. In terms of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, Company has uploaded the data regarding unpaid/unclaimed dividend for the last seven years on the website of the Company www.electrotherm.com as well as website of the Investor Education and Protection Fund Authority, Ministry of Corporate Affairs (MCA) www.iepf.gov.in.
10. Electronic copy of the Notice convening the 33rd AGM of the Company, Annual Report along with Attendance Slip and Proxy Form are being sent to the members who have registered their email ids with the Company/Depository Participant(s), RTA. For members who have not registered their email ids, physical copies of the aforementioned documents are being sent in

NOTICE

the permitted mode. Also the copy of full Annual Report 2018-2019 is available on the Company's website viz. www.electrotherm.com

11. In line with the measures of green initiative taken by SEBI, Companies Act, 2013 also provided for sending notice of the meeting and other shareholder correspondences through electronic mode, members holding shares in physical mode are requested to register their e-mail ID's with the Company or RTA and Members holding shares in Demat mode are requested to register their e-mail Id's with their respective Depository Participants (DPs).
12. Members / Proxies should bring the Attendance Slip sent herewith duly filled & signed in for attending the Meeting and members who hold shares in electronic form are requested to bring their Client ID and DP ID numbers for identification.
13. A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his / her queries to the Company at least 7 (seven) working days prior to the meeting so that the required information can be made available at the Meeting.
14. In compliance with the provisions of Regulation 44 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the members are provided with the facility to cast their vote by electronic means through the remote e-voting platform provided by CDSL and the business may be transacted through such voting. The process for remote e-voting is annexed hereto.
15. The Voting rights of members shall be in proportion to their shares of the paid-up equity share capital in the company as on cut-off date i.e. Monday, 23rd September, 2019.
16. Mr. Arvind Gaudana, Practising Company Secretary of M/s Gaudana & Gaudana has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
17. The facility for voting through electronic voting system or ballot or polling paper shall also be made available at the Annual General Meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be eligible to exercise their right at the meeting through electronic voting system or ballot or polling paper.
18. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
19. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on cut-off date may cast vote after following

the instructions for e-voting as provided in the Notice convening the Meeting, which is available on the website of the Company and CDSL. However, if you are already registered with CDSL for remote e-voting then you can use your existing User ID and password for casting your vote.

20. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting and make, not later than three days of the conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Annual General Meeting or a person authorised by him in writing, who shall countersign the same and the Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.
21. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.electrotherm.com. The Company shall simultaneously forward the result to BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and CDSL website where the Equity Shares of the Company are listed.

PROCESS AND MANNER FOR VOTING BY ELECTRONIC MEANS (E-VOTING):

The instructions for members for voting electronically are as under:

- (i) The voting period begins on Friday, 27th September, 2019 at 9:00 a.m. and ends on Sunday, 29th September, 2019 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, 23rd September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on

"OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also use Mobile app - "m - Voting" for e-voting. m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

In case of any grievances connected with facility for voting by electronic means, please contact:

Name of Official : Mr. Rakesh Dalvi

Designation : Manager

Address : 25th Floor, A Wing, Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel (E), Mumbai - 400 013

E Mail ID : helpdesk.evoting@cdslindia.com

Phone No. : 1800225533

NOTICE

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

ITEM NO. 3:

The Board of Directors at their Meeting held on 28th May, 2019, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. V. H. Savaliya & Associates, Cost Accountants (Membership No.13867), Ahmedabad, to conduct the audit of the cost accounting records of the Company for the financial year ending on 31st March, 2020 at a remuneration of ₹ 2,00,000/- (Rupees Two Lakhs Only).

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for approving the Ordinary Resolution as set out in Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending on 31st March, 2020.

The resolution as set out in Item no. 3 of this Notice is accordingly recommended for your approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in the said resolution.

By Order of the Board
For Electrotherm (India) Limited

Fageshkumar R. Soni
Company Secretary

Date : 31st August, 2019
Place: Palodia

Registered Office:
A-1, Skylark Apartment, Satellite Road,
Satellite, Ahmedabad - 380 015.

INFORMATION REQUIRED UNDER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2 WITH RESPECT TO THE APPOINTMENT / RE-APPOINTMENT OF A DIRECTOR

Name of Director	Mr. Siddharth Bhandari
Director Identification Number (DIN)	01404674
Age	37 years
Date of First Appointment on the Board	26/04/2017
Qualification	BE (Electrical) & MS in Power Engineering
Experience / Expertise in functional areas	He is having 10 years of experience in the field of renewable Energy, manufacturing of Transformers, Transmission Line towers and Electric Vehicle
Terms and conditions of appointment / re-appointment	He retires by rotation at 33 rd AGM and being eligible offers himself for re-appointment.
Remuneration sought to be paid and the remuneration last drawn	NIL
No. of Shares held in the Company	65100
Relationship with other Directors, Manager and other KMP	Mr. Siddharth Bhandari is a son of Mr. Mukesh Bhandari
Number of Meetings of the Board held & attended during the year	6/6
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	1. Etain Renewables Limited 2. Electrotherm Solar Limited 3. ET Elec-Trans Limited 4. Etain Electric Vehicles Limited 5. Etain Energy Holdings Limited
Memberships / Chairmanships of committees of other public companies (excluding foreign companies and Section 8 companies)	None

BOARDS' REPORT

To,
The Members
Electrotherm (India) Limited

Your Directors have pleasure in presenting the 33rd Annual Report on the business and operations of the Company and Audited Financial Statements for the year ended on 31st March, 2019.

FINANCIAL SUMMARY OR HIGHLIGHTS:

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read with Rule 7 of the (Companies Accounts) Rules, 2014.

The standalone financial performance of the Company for the year ended on 31st March, 2019 is summarized below:

(₹ In Crores)

Particulars	2018-2019	2017-2018
Total Income	3475.75	2778.23
Total Expenses	3334.98	2767.03
Profit / (Loss) before Exceptional Items and Tax	140.77	11.20
Less : Exceptional Items	-	-
Profit / (Loss) before Tax	140.77	11.20
Less: Tax Expenses	-	-
Profit / (Loss) for the Year	140.77	11.20
Share of Profit of Joint Venture	0.02	0.00
Profit after share of Joint Venture	140.79	11.20
Other Comprehensive Income	(1.35)	0.58
Total Comprehensive Income	139.44	11.78

STATE OF THE COMPANY'S AFFAIRS AND OPERATIONS:

The Company is engaged in the business of manufacturing induction furnaces, TMT Bars, Ductile Iron Pipes (DI Pipes), Electric Vehicles, Transformers, Transmission Line Towers etc.

During the year ended on 31st March, 2019, the total income of the Company was ₹ 3475.75 Crores compared to ₹ 2778.23 Crores of previous financial year. The net profit for the current financial year was ₹ 140.77 Crores as compared to profit ₹ 11.20 Crores of previous financial year. A detailed analysis of performance for the year is included in the Management Discussion and Analysis, which forms part of this Annual Report.

CHANGE IN NATURE OF BUSINESS:

During the financial year, there was no change in the nature of business carried out by the Company.

TRANSFER TO RESERVES:

During the financial year under review, no amount has been transferred to the General Reserve.

DIVIDEND:

In view of accumulated losses during the previous financial years and fund requirements, the Board of Directors of the Company do not recommend any dividend on Equity Shares and on Preference Shares for the year ended on 31st March, 2019.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION AFTER THE END OF FINANCIAL YEAR:

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this Report.

CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated financial statements of the Company for the financial year 2018-2019 are prepared in compliance with applicable

provisions of the Companies Act, 2013, Indian Accounting Standards ("Ind AS") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), which form part of this Annual Report.

SUBSIDIARY / JOINT VENTURE COMPANIES:

The Company has the following subsidiaries as on 31st March, 2019:

1. Hans Ispat Limited
2. Electrotherm Services Limited (erstwhile known as Shree Hans Papers Limited)
3. Shree Ram Electro Cast Limited
4. ET Elec-Trans Limited
5. Jinhua Indus Enterprises Limited
6. Jinhua Jahari Enterprises Limited (Step-down Subsidiary Company)
7. Bhaskarpara Coal Company Limited (Joint Venture Company)

Pursuant to section 129(3) of the Companies Act, 2013, a statement containing the salient features of the financial statement including the highlights of the performance of the subsidiary / joint venture companies in Form AOC-1 is attached as "Annexure – A" to this Report.

Pursuant to the section 136 of the Companies Act, 2013, the financial statements of the company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries / joint venture companies, are available on the website of the company www.electrotherm.com.

During the financial year 2018-2019, none of the companies have become or ceased to be subsidiaries, joint ventures or associate companies.