



# MANAKSIA STEELS LIMITED

ANNUAL REPORT 2019-20

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## Corporate Information

### Directors

Mr. Varun Agrawal – Managing Director  
DIN : 00441271  
Mr. Suresh Kumar Agrawal  
DIN : 00520769  
Dr. Kali Kumar Chaudhuri  
DIN : 00206157  
Mr. Ajay Kumar Chakraborty  
DIN : 00133604  
Mr. Ramesh Kumar Maheshwari  
DIN : 00545364  
Mrs. Smita Khaitan  
DIN : 01116869  
Mr. Mrinal Kanti Pal  
DIN : 00867865

### Chief Executive Officer

Mr. Vineet Agrawal

### Company Secretary

Mr. Ajay Sharma

### Chief Financial Officer

Mr. Rajesh Singhamia

### Auditors

AGRAWAL TONDON & CO.

### Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd  
Vaishno Chambers, 6 Brabourne Road  
Room No 502 & 503, 5<sup>th</sup> Floor, Kolkata - 700001

### Registered Office

Turner Morrison Building  
6 Lyons Range, 1<sup>st</sup> Floor  
Kolkata - 700001

### Bankers

Axis Bank Limited  
DBS Bank India Limited  
HDFC Bank Limited  
IDBI Bank Limited  
Indusind Bank Limited  
Yes Bank Limited

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 19<sup>th</sup> (Nineteenth) Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2020.

## FINANCIAL RESULTS

(Rs. in Lacs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2019-20	2018-19	2019-20	2018-19
<b>Total Revenue</b>	<b>49061.56</b>	<b>69026.83</b>	<b>53922.05</b>	<b>69216.55</b>
<b>Profit Before Tax (PBT)</b>	<b>976.49</b>	<b>1651.33</b>	<b>1052.80</b>	<b>1597.59</b>
Less: Tax Expenses				
- Current Tax	310.00	655.00	310.00	657.43
- Deferred Tax	(203.69)	(35.33)	(116.90)	107.40
<b>Profit for the period</b>	<b>870.18</b>	<b>1031.66</b>	<b>859.70</b>	<b>832.76</b>
<b>Other Comprehensive Income / (Loss)</b>	<b>(194.38)</b>	<b>(0.24)</b>	<b>(259.43)</b>	<b>98.89</b>
<b>Total Comprehensive Income for the period</b>	<b>675.80</b>	<b>1031.42</b>	<b>600.26</b>	<b>931.65</b>
Balance brought forward from previous year	5176.32	4144.89	5044.65	4113.01
Total Amount available for appropriation	5852.12	5176.31	5644.91	5044.66
<b>Appropriations:</b>				
Transfer to General Reserve	-	-	-	-
Surplus Carried to Balance Sheet	5852.12	5176.31	5644.91	5044.66
<b>Total</b>	<b>5852.12</b>	<b>5176.31</b>	<b>5644.91</b>	<b>5044.66</b>

## STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Kindly refer to 'Management Discussion and Analysis Report' which forms a part of this Annual Report.

## CHANGES IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business of the Company during the year under review.

## DIVIDEND

In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for its future and therefore do not propose any dividend for the Financial Year ended 31<sup>st</sup> March, 2020.

## TRANSFER TO RESERVES

The Board did not propose any amount for transfer to the General Reserve.

## **CHANGES IN SHARE CAPITAL**

The paid-up Equity Share Capital of the Company as on 31<sup>st</sup> March, 2020 stood at Rs. 655.34 Lacs. During the year under review, the Company has not issued any further shares.

## **DETAILS PERTAINING TO SHARES IN SUSPENSE ACCOUNT**

Details of shares held in the demat suspense account as required under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as "Listing Regulations") forms a part of the Corporate Governance Report.

## **DETAILS UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013 (HEREINAFTER REFERRED TO AS 'THE ACT'), IN RESPECT OF ANY SCHEME OF PROVISIONS OF MONEY FOR PURCHASE OF OWN SHARES BY EMPLOYEES OR BY TRUSTEES FOR THE BENEFIT OF EMPLOYEES**

There was no such instance during the year under review.

## **OPERATIONS AND BUSINESS PERFORMANCE**

The spread of COVID-19 has severely impacted businesses around the globe. In many countries, including India, there has been severe disruption to regular business operations due to lockdowns, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. The operations in the overseas subsidiaries of the Company situated in Nigeria and UAE have also been disrupted and the demand for product in those countries has dropped as never before. The Company has made necessary disclosure in terms of Regulation 30 of the Listing Regulations to the Stock Exchanges. The management is evaluating the situation very closely and necessary steps are being taken. The Company has resumed its operations / business activities with reduced manpower strength as per the directives of State Government and Central Government guideline, as applicable and is also adhering to all preventive measure as per various Government directives. The Company has evaluated its liquidity position & recoverability and carrying values of its assets and has concluded that no material adjustments are required at this stage in the financial results.

The details of operation and business performance of the Company has been elaborated in the 'Management Discussion and Analysis Report' forming part of this Annual Report.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) read with Para B to Schedule V of the Listing Regulations forms part of this Annual Report.

## **DETAILS RELATING TO MATERIAL VARIATIONS**

The Company has not issued any prospectus or letter of offer during the last five years and as such the requirement for providing the details relating to material variation is not applicable to the company for the year under review.

## **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There is no material change and commitment of the company during the period between the end of the financial year 2019-20 and the date of this report which can affect the financial position of the Company for the year under review.

## **EXTRACT OF ANNUAL RETRUN**

The extract of Annual Return as on 31<sup>st</sup> March, 2020 in the prescribed Form MGT-9, pursuant to Section 92(3) of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, forms part of this Director's Report and marked as **Annexure- "A"**, a copy of the same is also uploaded on the Company's website and the weblink thereto is [http://www.manaksiasteels.com/pdf/MGT-9\\_2019-20.pdf](http://www.manaksiasteels.com/pdf/MGT-9_2019-20.pdf)

## CORPORATE GOVERNANCE REPORT

The Company follows the corporate governance guidelines and best practices sincerely, and discloses timely and accurate information regarding the operations and performance of the Company.

Pursuant to Regulation 34 read with Para C to Schedule V of the Listing Regulations, a Report on Corporate Governance along with a certificate from the Statutory Auditors of the Company confirming compliance with the conditions of the Corporate Governance is forming part of this Director's Report and marked as **Annexure-"B"**.

## NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The details of number of meetings of the Board of Directors of the Company held during the year have been provided in the Corporate Governance Report forming part of this Directors' Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of Internal Financial Controls (IFC) and compliance systems established and maintained by the Company, work performed by the internal auditors, statutory auditors, cost auditors, secretarial auditors and the reviews performed by management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's IFC were adequate and effective during Financial year 2019-20.

Accordingly, pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirms that:

- in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year 2019-20 and of the profit of the Company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts had been prepared on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively;
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Changes in Directors

The Company had appointed Mr. Ajay Kumar Chakraborty (DIN: 00133604); Dr. Kali Kumar Chaudhuri (DIN: 00206157) and Mrs. Smita Khaitan (DIN: 01116869) as Independent Directors of the Company in the Extra-Ordinary General Meeting (EGM) of the Company held on 17<sup>th</sup> November, 2014 for a fixed term of five years upto the conclusion of Annual General Meeting (hereinafter referred to as "AGM") to be held for the financial year 2018-19.

Mr. Ajay Kumar Chakraborty, Dr. Kali Kumar Chaudhuri and Mrs. Smita Khaitan were re-appointed by the shareholders as Independent Directors, not liable to retire by rotation, by way of passing of special resolution in the 18th AGM of the Company held on 25th September, 2019, for a second term of five consecutive years w.e.f. 26th September, 2019.

Appropriate resolution has been passed by the shareholders at the 18th AGM approving the appointment of Mr. Ramesh Kumar Maheshwari (DIN: 00545364), as Independent Director of the Company w.e.f. 16<sup>th</sup> July, 2019 for a term of five years, not liable to retire by rotation.

### **Retire by Rotation**

In accordance with the provision of Section 152 of the Act read with Article 87(1) of the Articles of Association of the Company, Mr. Varun Agrawal (DIN: 00441271), Managing Director will retire by rotation at the ensuing 19<sup>th</sup> AGM and being eligible, offer himself for re-appointment.

### **Key Managerial Personnel**

There has been no change in the Key Managerial Personnel of the Company during the period under review.

### **Independent Directors**

The Company's Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

All the Independent Directors of the Company have registered themselves with the Independent Directors' Data Bank maintained by the Indian Institute of Corporate Affairs. In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake online proficiency self-assessment test conducted by the IICA within a period of one year from the date of inclusion of their names in the data bank unless they fall within the exempted category. The Independent Directors who are not falling within exempted category will undertake the online self-assessment proficiency test in due course. In the opinion of the Board, all the Independent Directors appointed during the year possess requisite integrity, expertise and experience.

### **SECRETARIAL STANDARDS**

The Institute of Company Secretaries of India (ICSI) has issued Secretarial Standard-1 (SS-1) on 'Meeting of the Board of Directors' and Secretarial Standard-2 (SS-2) on 'General Meeting' and both the Secretarial Standards have been approved by the Central Government under section 118(10) of the Act. Pursuant to the provisions of section 118(10) of the Act, it is mandatory for the company to observe the secretarial standards with respect to the Board Meeting and General Meeting. The Company has adopted and followed the set of principles prescribed in the respective Secretarial Standards for convening and conducting Meetings of Board of Directors, General Meeting and matters related thereto. The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

### **STATUTORY AUDITOR AND AUDITORS' REPORT**

Agrawal Tondon & Co., Chartered Accountants, (Firm Registration No. 329088E) had been appointed as Statutory Auditors of the Company at the 18<sup>th</sup> AGM of the Company held on 25<sup>th</sup> September, 2019, for a period of five consecutive years to hold office from the conclusion of the 18<sup>th</sup> AGM till the conclusion of the 23<sup>rd</sup> AGM of the Company on such remuneration as may be determined by the Board of Directors based on the recommendation of the Audit Committee and mutually agreed by the Statutory Auditors, in addition to the reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.

There is no observation (including any qualification, reservation, adverse remarks or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. The specific notes forming part of the accounts referred to in Auditor's Report are self-explanatory and give complete information.

### **SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Regulation 24A of the Listing Regulations, the Board of Directors of the Company had appointed Vinod Kothari & Company, Practicing Company Secretaries as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year 2019-20.

## SECRETARIAL AUDIT REPORT

The Secretarial Audit Report in Form MR-3 as given by the Secretarial Auditor for the financial year ended 31<sup>st</sup> March, 2020, forms a part of the Directors' Report and annexed as **Annexure-"C"**.

As mentioned in the Secretarial Audit Report the Company had duly complied with the provisions of the Listing Regulations by submitting the financial results for the quarter ended March, 2019 with the National Stock Exchange of India Limited within the stipulated time. The Company had also uploaded the full results in BSE website (standalone and consolidated) in XBRL format on the same day immediately after the Board meeting. However, due to repeated technical glitches faced by the Company, it had made one day delay in submitting the results in 'quick results' format with the BSE Limited. Accordingly, as per the SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 03, 2018, the BSE Limited has vide its letter dated June 17, 2019 imposed a fine of Rs. 5,000/- plus applicable taxes on the Company, which the Company had paid.

As detailed in the previous year's Directors Report, BSE Limited and NSE Limited had imposed fine upon the Company for non compliance with Regulation 17(1) of the Listing Regulations. The Company had paid fine, rectified the unintentional default and filed application before relevant committees of the respective exchanges for waiver of fine. The NSE Limited, based on the Company's application has waived the fine and refunded the fine amount. The waiver application before BSE Limited is pending as on date.

The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines and that there were no deviations or non-compliances. There are no observations (including any qualifications, reservations, adverse remarks or disclaimer) of the Secretarial Auditors in their Audit Report that may call for any explanations from the Director's of the Company.

SEBI vide its circular No. CIR/CFD/CMD/27/2019 dated 8<sup>th</sup> February, 2019 has specified that the listed entities shall additionally, on an annual basis, require a check by a Company Secretary in Practice for compliance of all applicable SEBI Regulations and circulars / guidelines issued there under and accordingly the Company has appointed M/s. Bajaj Todi & Associates (formerly PS & Associates), Practicing Company Secretaries to carry out necessary audit. A certificate received from M/s. Bajaj Todi & Associates, Practicing Company Secretaries was placed before the Board and had been filed with the Stock Exchange where the Securities of the Company are listed.

## COST AUDITORS

Pursuant to the requirement of Section 148 of the Act, cost audit is applicable on your Company for manufacturing items covered under Rule 3 of the Companies (Cost Records and Audit) Rules, 2014. The Board of Directors of your Company on the recommendation of the Audit Committee has appointed M/s S. Chhaparia & Associates, Cost Accountants as Cost Auditors of the Company for the Financial Year 2019-20. As required under the Act, the remuneration payable to the Cost Auditors was ratified by the shareholders in the AGM held on 25<sup>th</sup> September, 2019.

The Board, pursuant to the provisions of Section 148 of the Act, read with Companies (Cost Records and Audit) Rules, 2014 has appointed M/s B. Mukhopadhyay & Co, Cost Accountants, B-20, Amarabati, Sodepur, Kolkata-700110, as the Cost Auditors of the Company for the Financial Year 2020-21 and accordingly, a resolution for seeking Members ratification for the remuneration payable to the Cost Auditors, would be placed before the forthcoming 19<sup>th</sup> AGM of the Company. The Cost Auditors are expected to file the cost audit report with Central Government within the specified period.

## FRAUD REPORTING

There was no fraud reported by the Auditors of the Company under Section 143(12) of the Act, to the Audit Committee or the Board of Directors during the financial year under review.

## DISCLOSURE ON EMPLOYEE STOCK OPTION/ PURCHASE SCHEME

During the year under review, your Company has not provided any employee stock option / purchase scheme.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT**

The full particulars of the loans given, investments made, guarantees given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised as per the provisions of Section 186 of the Act are provided in the notes to the Financial Statements (Refer note no. 4,5,9,13 & 35).

## **PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES**

In compliance with the provisions of the Act and the Listing Regulations, each Related Party Transaction (RPT) is placed before the Audit Committee for prior approval. A prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are foreseen and repetitive in nature. The transactions pursuant to the omnibus approval so granted, is subject to audit and a detailed quarterly statement of all Related Party Transactions duly certified by the Chief Financial Officer of the Company is placed before the Audit Committee for its review. The policy on RPTs, as approved by the Board, is available on the Company's website at [www.manaksiasteels.com](http://www.manaksiasteels.com) and the weblink thereto <http://www.manaksiasteels.com/upload/media/corporate-policies/Policy-on-Related-Party-Transactions.pdf>

During the year under review, all RPTs were on Arm's Length Price basis and in the Ordinary Course of Business. The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act, in the prescribed Form AOC-2, forms part of this Annual Report. Approval of shareholders at the ensuing AGM is being sought for material RPT(s) proposed to be entered into by the Company during the Financial Year 2020-21. The details of the proposed material RPT pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 will be provided in the Notice of AGM. There are no materially significant transactions entered into by your Company with Promoters, Directors or Key Managerial Personnel (KMPs), which have potential conflict with the interest of the Company at large.

## **PARTICULARS OF LOANS/ADVANCES/INVESTMENTS OUTSTANDING DURING THE FINANCIAL YEAR AS REQUIRED UNDER SCHEDULE V OF THE LISTING REGULATIONS**

The details of related party disclosures with respect to loans/ advances/ investments at the year end and maximum outstanding amount thereof during the year as required under Para A of Schedule V of the Listing Regulations have been provided in the notes to the Financial Statements of the Company.

## **DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details required pursuant to the provisions of section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo forms part of this Directors Report and marked as **Annexure-"D"**.

## **RISK MANAGEMENT SYSTEM**

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate the probability and/or impact of unfortunate events or to maximize the realization of opportunities.

The Company has structured Risk Management system, designed to safeguard the organization from various risks through adequate and timely actions. The Company manages, monitors and reports on its risks and uncertainties that can impact its ability to achieve its objectives. The major risks have been identified by the Company and its mitigation process/measures have been formulated.

## **AUDIT COMMITTEE**

The Company pursuant to the provisions of Section 177 of the Act, read with Regulation 18 of the Listing Regulations, has in place Audit Committee. The Committee focuses on certain specific areas and makes informed decisions in line with the delegated authority and function according to the roles and defined scope.

The details of composition, terms of reference and number of meetings held for the Committee is provided in the Corporate Governance Report.

There was no such instance wherein the Board had not accepted recommendation of the Audit Committee.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Company pursuant to the requirement of provisions of Section 178(1) of the Act, read with the Regulation 19 of the Listing Regulations has in place the Nomination and Remuneration Committee. The details of composition, terms of reference and number of meetings held for the Committee is provided in the Corporate Governance Report.

The Company, pursuant to provisions of section 178 of the Act and Regulation 19 read with Para A of Part D of Schedule II of the Listing Regulations, upon recommendation of Nomination and Remuneration Committee has devised a Remuneration Policy applicable to all Executives of the Company i.e. Directors, Key Managerial Personnel and Senior Management. The said policy forms part of this Director's Report and marked as **Annexure- "E"**.

There was no such instance wherein the Board had not accepted recommendation of the Nomination and Remuneration Committee.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

As required by the provisions of section 178(5) of the Act, read with Regulation 20 of the Listing Regulations, the Company has in place the Stakeholders Relationship Committee. The details of composition, terms of reference and number of meetings held for the Committee is provided in the Corporate Governance Report.

#### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Company has constituted a Corporate Social Responsibility Committee (hereinafter referred to as "CSR" Committee) in accordance with section 135 of the Act and Rules made thereunder. The composition and the detailed terms of reference of the CSR Committee are provided in the Corporate Governance Report. The CSR activities are *inter-alia*, focused on Improving Literacy among Rural Tribal People and Promoting Education.

The report on CSR activities pursuant to clause (o) of sub-section (3) of section 134 of the Act, 2013, and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 forms part of this report and marked as **Annexure- "F"**.

The Company has formulated CSR Policy indicating the activities to be undertaken by the Company. The Policy has also been uploaded on the Company's website and the weblink thereto is: <http://www.manaksiasteels.com/upload/media/corporate-policies/Corporate-Social-Responsibility-Policy.pdf>

There were no such instances wherein the Board had not accepted recommendations of the CSR Committee.

#### **DISCLOSURE UNDER SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITON AND REDRESSAL) ACT, 2013**

The Company has constituted Internal Complaint Committee in compliance with the provisions of Sexual Harrasment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

As per the Policy, any employee may report his/ her complaint to the Internal Complaint Committee formed for this purpose. The Company affirms that during the year under review, adequate access was provided to any complainant who wished to register a complaint under the Policy. During the year, the Company has not received any complaint on sexual harassment.

#### **ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRCETORS**

Pursuant to the provisions of the Act, Regulation 25 of the Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Directors individually as well as the evaluation of the working of its Committees. Pursuant to the provisions of the Act, and Regulation 25 of the Listing Regulations read with the Guidance Note on Board

Evaluation of SEBI dated 5<sup>th</sup> January, 2017 the NRC Committee has laid down the criteria for performance evaluation, in a structured questionnaire form after taking into consideration various aspects of the Boards functioning, composition of the Board and its Committees, culture, execution, diligence, integrity, awareness and performance of specific laws, duties, obligations and governance, on the basis of which, the Board has carried out the Annual Evaluation of its own performance, the performance of Board Committee and of Directors individually, by way of individual and collective feedback from Directors. Further, pursuant to para VII of Schedule IV of the Act, and provisions of the Listing Regulations, the Independent Directors of the Company, without participation of Non-Independent Directors and Members of Management, convened a separate meeting on 30<sup>th</sup> May 2019, to *inter-alia* perform the following:

- Review the performance of Non-Independent Directors and the Board as a whole;
- Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The criteria for evaluation are briefly provided below:

The review of performance of Non-Independent Directors was done, after discussing with them on various parameters, such as, skill, competence, experience, degree of engagement, ideas & planning, etc. The Board performance was reviewed on various parameters, such as, adequacy of the composition of the Board, Board culture, appropriateness of qualification & expertise of Board Members, process of identification and appointment of Independent Directors, inter-personal skills, ability to act proactively, managing conflicts, managing crisis situations, diversity in knowledge and related industry expertise, roles and responsibilities of Board members, appropriate utilization of talents and skills of Board Members, etc. The evaluation of Independent Directors has been done by the entire Board of Directors which includes performance of the Directors and fulfillment of the independence criteria and their independence from the Management as specified in the Listing Regulations.

The Board of Directors of the Company expressed their satisfaction towards the process of review and evaluation of Board, its Committees and of Individual Directors.

#### **FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS**

In terms of Regulation 25(7) of Listing Regulations, your Company is required to conduct Familiarization Programme for Independent Directors (IDs) to familiarize them about your Company including nature of industry in which the Company operates, business model of the Company, roles, rights and responsibilities of IDs and any other relevant information. Further, pursuant to Regulation 46 of Listing Regulations, the Company is required to disseminate on its website, details of Familiarization Programme imparted to IDs including the details of:

- i) number of programmes attended by IDs (during the year and on a cumulative basis till date),
- ii) number of hours spent by IDs in such programmes (during the year and on a cumulative basis till date), and;
- iii) other relevant details.

Familiarization Programme undertaken for Independent Directors is provided at the following weblink: [http://www.manaksiasteels.com/upload/media/management-team/Familiarisation\\_Programme\\_MSL\\_19\\_20.pdf](http://www.manaksiasteels.com/upload/media/management-team/Familiarisation_Programme_MSL_19_20.pdf)

#### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

Pursuant to the provisions of section 129(3) of the Act, read with Rule 5 of the Companies (Accounts) Rules, 2014, the details containing salient features of the Financial Statement of subsidiary companies/ associate companies/ joint ventures in Form AOC-1 forms a part of this Annual Report.

The details of performance of the Subsidiary Companies are as follows:

##### **Foreign Subsidiaries:**

##### **Technomet International FZE**

This Company is a subsidiary of Manaksia Steels Limited. The Revenue of the Company during the year ended 31st March, 2020 stood at AED 26.05 Lacs (equivalent to Rs. 502.96 Lacs). During the said period the company had a net loss of AED 12.33 Lacs (equivalent to Rs. 237.91 Lacs).