

# NEXT LEVEL

Lighter Balance Sheet leading to a  
sustainably larger business

## Disclaimer

This document contains statements about expected future events and financials of Steelcast Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis of this Annual Report.

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## Investor Information

### Corporate Id No.

L27310GJ1972PLC002033

### ISIN

INE124E01020

### Scrip Code at BSE

513517

### Scrip Symbol at NSE

STEELCAS

### Bloomberg Code

STLCS:IN

### AGM Date

4th August, 2022

### AGM Venue

Efcee Sarovar Portico –  
Sarovar Hotels,  
Iscon Mega City,  
Opp. Victoria Park,  
Bhavnagar, Gujarat 364002



Please find our online version at

<http://www.steelcast.net/quarterly-results.html>

# CORPORATE INFORMATION

## Board of Directors & Invitee

**Mr. Chetan M Tamboli**

Chairman & Managing Director

**Mr. Rajendra V Gandhi**

Independent Director

**Mr. Apurva R Shah**

Independent Director

**Mr. Kumar Tipirneni**

Permanent Invitee to the Board

**Mr. Hemant D Dholakia**

Independent Director

**Mr. Rushil C Tamboli**

Non-Executive Non-Independent Director  
(W.e.f. 01.04.2022)

**Ms. Vidhi C Tamboli**

Non-Executive Non-Independent Director

**Mrs. Aarushi M Ganatra**

Independent Director  
(Appointed on 18.05.2022)

## Chief Financial Officer

**Mr. Subhash R Sharma**

## Company Secretary

**Mr. Umesh V Bhatt**

## Bankers

Standard Chartered Bank

HDFC Bank Limited

RBL Bank Limited

## Auditors

SSM & Co., Chartered Accountants

## Registered Office & Works

Ruvapari Road, Bhavnagar.

Gujarat- 364005

Phone : (91) (278) 251 9062

Fax : (91) (278) 251 9831

## Significant financial indicators for the last 10 years

(INR in Lakhs except as specified)

Parameter	Financial Year ending on 31st March									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Income	28,735.05	14,448.80	7,914.31	13,704.24	14,182.41	23,512.07	31,934.03	20,106.64	15,922.00	30,235.57
EBIDTA	4,782.92	2,618.22	(4.57)	2,627.40	2,614.98	4,476.74	6,015.54	3,780.97	3,305.26	6,400.57
Prot After Tax	1,965.42	42.57	(1,850.04)	13.29	298.09	2,075.18	2,492.30	781.37	1,209.49	3,324.53
Net Worth	7,704.14	7,907.10	5,990.84	7,186.46	7,404.04	9,333.06	11,495.95	11,789.31	12,877.37	15,655.41
Total Borrowed Funds	11,631.81	13,721.91	14,361.95	12,800.66	8,959.59	9,255.51	6,443.26	4,453.62	2,311.02	6,279.86
Fixed Assets (Net)	12,148.19	14,913.57	13,976.83	13,409.44	12,392.36	12,361.46	11,723.36	10,680.09	9,906.03	11,434.51
Net Current Assets	7,322.19	5,650.32	4,787.08	4,619.99	7,792.19	11,572.12	9,726.17	7,677.75	8,266.15	15,057.88
Book Value Per Share (Adjusted to Sub Division & Bonus Issue and Pl) (₹)	44.00	43.00	32.89	35.51	36.58	46.11	9	58.25	63.85	77.35
Earning Per Share (Basic) (Adjusted to Sub Division & Bonus Issue) (₹)	11.80	0.23	(10.16)	0.07	1.47	10.31	12.34	3.94	5.94	16.44
Dividend (%)	36.00	0.00	0.00	0.00	12.00	27.00	40.00	12.00	27.00	63.00
Debt Equity Ratio (Total Borrowed Funds/ Net Worth)	1.51	1.74	2.40	1.78	1.21	0.99	0.56	0.38	0.18	0.40
Operating Profit (EBIDTA) to Sale (%)	16.64	18.12	(0.06)	19.17	18.44	19.04	18.95	18.85	20.96	21.19

# NEXT LEVEL

At Steelcast, our business is at the cusp of an unprecedented opportunity.

India's capital expenditure cycle appears to be entering a period of unprecedented expansion; global downstream sectors appear to be reviving their spending following the pandemic-induced slowdown of the last two years.

Steelcast is attractively placed to capitalise.

The Company has repaid sizeable debt and finished the year under review with an under-borrowed Balance Sheet.

The Company also possesses a range of certifications and customer approvals; it enjoys multi-year customer relationships; it nurses adequate capacity to sustain growth.

These realities are likely to drive the next phase in the Company's growth journey, graduating it to the next level.



Steelcast is a respected manufacturer of Steel and Alloy Casting products and solutions.

The Company's products are used in demanding downstream heavy engineering sectors that are core to national progress.

The Company's products have been marked by high quality, efficiency, customisation and service.

This has made the Company intrinsic to the growth of its diverse downstream sectors.

*Helping graduate customers to the next level and in doing so, empowering the Company to do so as well.*

### Vision

- To be a reputed global provider of reliable and ready-to-use high quality castings
- To offer customer delight and employee growth with equal fairness towards all stakeholders
- To focus on innovation and creativity for promoting organisational participation and continuous learning
- To diversify into different products and businesses by providing state-of-the-art material

### Mission

- To continuously interact with customers to understand their needs
- To offer best-in-class customer service and provide them value for money to earn complete customer loyalty and facilitate access to larger markets
- To continuously develop processes for delivering high quality, reliable and consistent products
- To create a transparent, principled and system-based organisation that empowers employees at all levels to take initiatives, innovate, learn and grow while working with enthusiasm and commitment
- To be a debt-free company offering excellent shareholder returns, employee-friendly environment and pay all fair dues to the Government and society

## Background and promoters

The Company is engaged in the business of steel castings since 1960. It commenced as a partnership firm and was converted into a private limited company in 1972 that became a public limited company in 1994. The Company was promoted by Mr Manmohan Fulchand Tamboli along with his brother Mr Bipin Fulchand Tamboli and is presently being stewarded by Mr Chetan Manmohan Tamboli, supported by family members.

## Rich experience

Steelcast manufactures steel & alloy steel castings, addressing the needs of Original Equipment Manufacturers (OEM) across the mining & mineral processing, earth moving, cement, steel plants, valves & pumps, thermal & hydro power, electro locomotive, oil field, aerobridge, general engineering and shipping sectors.

## Presence

The Company is headquartered in Bhavnagar (Gujarat) with its manufacturing facility located in the same city. Alang, Asia's biggest ship recycling yard, is just 50 km away and a major source of scrap raw material. Gujarat is a power-surplus state with the Company's

own 66KV power transmission station with 10MW power readily available.

## Logistical advantage

All the Company's fuel requirements are addressed through piped natural gas and LPG. The Pipavav port is 130 km away. A waterways network with Hazira and Surat has helped reduce the distance from 370 Kms to 60 Kms. The Company enjoys road and rail connectivity with major cities in Gujarat.

## Exports

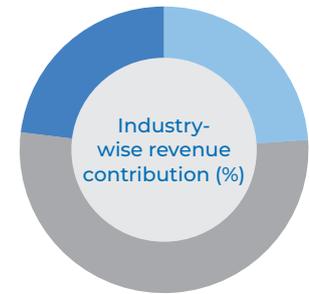
The Company derives a prominent proportion of its revenues from exports. In FY 2021-22, the Company generated 56% revenues from exports to nine countries.

## Employees

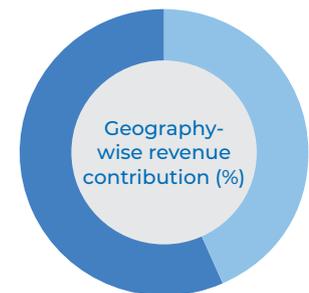
The Company was a knowledgeable employer of 887 employees on the Company's rolls as on 31st March, 2022. The average age of 84% of employees was between 18-45 years as on 31st March, 2022. The Company employs professionals comprising the following competencies: metallurgy, finance, sales, operations, research, quality assurance, procurement and others.

## Financial performance

The Company reported revenues of ₹302.36 Cr during FY 2021-22, a 90% growth over the previous financial year. The Company's PAT of ₹33.27 Cr was a 177% growth over the previous year.



Mining	24.00
Earth moving	53.00
Others	23.00



Domestic	43.60
Exports	56.40

## The extensive credentials that we bring to our business

### Awards

- Best Foundry Award from the Institute of Indian Foundrymen for the best import substitution record among all foundries in India
- Recipient of Shri Laxmanrao Kirloskar Best Foundry Award from the Institute of Indian Foundrymen.
- Best Vendor (Category-Castings) Award from Bharat Earth Movers Ltd., Bangalore, for outstanding performance in materials supply
- Highest rating among India's Top 500 manufacturing Small & Mid-Sized Companies

### Approvals and certifications

#### Customer and nodal agency approvals

- Approved as a Class 'A' foundry by RDSO, India
- Approved by Association of American Rail Roads (under renewal)
- Approved as a recognised R&D Laboratory by the Department of Science & Technology, Government of India.
- Class A-approved foundry by Ministry of Railways, India
- Accredited as an NABL (National Accreditation Board for Testing and Calibration Laboratories)-approved Laboratory.
- R&D Laboratory approved by The Department of Science & Technology, Government of India.

- Accredited as Authorised Economic Operator (AEO) T1 by Government of India.

- Accorded Two Star Export House status by Directorate General of Foreign Trade.

#### Certifications

- An ISO:9001-2015 Company certified by TUV NORD, Germany (for Quality);
- An ISO:14001-2015 Company certified by TUV NORD, Germany (for Environment)
- An ISO 45001:2018 Company certified by TUV NORD, Germany (for Occupational Health & Safety).
- An EN 9100:2018 certified by TUV NORD, Germany (for aerospace).

# **Steelcast.** Global provider of quality products for marquee customers

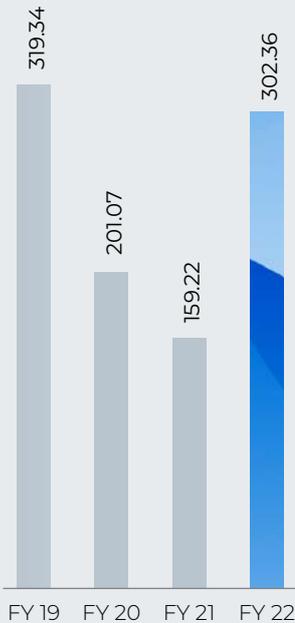




### The Company exports its production to 11 countries

- USA • Germany • Thailand • Singapore
- Denmark • Mexico • China • South Korea
- Brazil • Japan • Australia

# How we have grown over the years



**Revenue**  
(₹ Cr)

## Definition

Growth in sales, net of taxes.

## Why this is measured

It is an index that showcases the Company's ability to maximise revenues, which provides a basis against which the Company's performance can be compared with sectoral peers.

## What this means

The volume offtake remained creditable in an otherwise challenging year for the economy, protecting the Company's industry visibility.

## Value impact

Aggregate sales increased 90% during the year under review on account of a wider marketing footprint.



**EBIDTA**  
(₹ Cr)

## Definition

Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax).

## Why this is measured

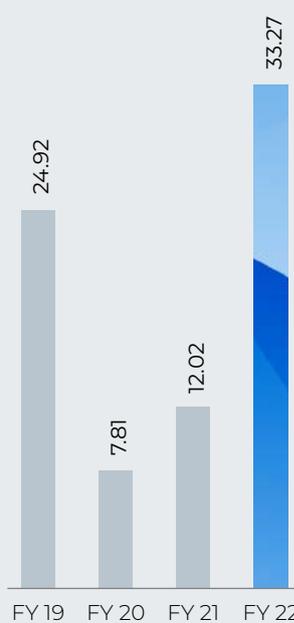
It is an index that showcases the Company's ability to generate a surplus after operating costs, creating the base for a comparison with sectoral peers.

## What this means

Helps create a robust surplus-generating engine that facilitates reinvestment.

## Value impact

The Company reported a 93.65 % growth in EBIDTA in FY 2021-22 due to better sales realisations.



**PAT**  
(₹ Cr)

## Definition

Profit earned during the year after deducting all expenses and provisions

## Why is this measured?

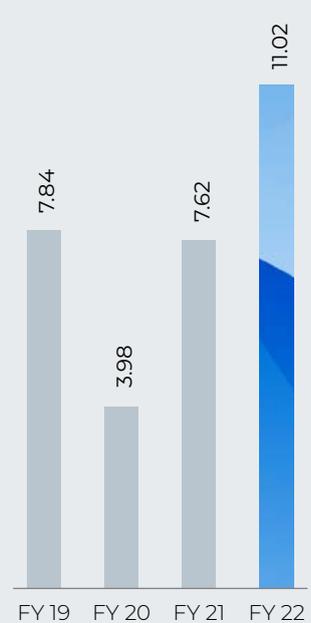
This measure highlights the strength of the business model in enhancing shareholder value

## What does it mean?

It ensures that adequate surplus is available for reinvestment in the Company's operations.

## Value impact

The Company reported a 177% increase in net profit in FY 2021-22 following all-round business-strengthening.



**PAT margin**  
(%)

## Definition

Net profit margin is a profitability measure used to assess a company's ability to generate a surplus (after expensing interest, depreciation and tax) on a rupee of sales, expressed as a percentage

## Why is this measured?

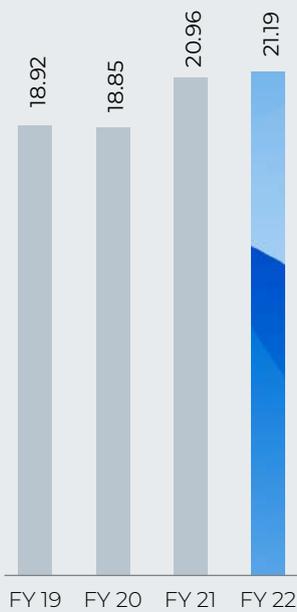
The net profit margin provides an insight into the Company's net earning capacity, which can be compared across companies within the same sector

## What does it mean?

This demonstrates the buffer available within the Company to reinvest or reward shareholders

## Value impact

The Company reported a 340 bps increase in net profit margin during FY 2021-22. The overall improvement in profit margins was largely due to cost reduction, better product mix, lower finance cost, price variation clause with customers that insulated margins from cost rises and other factors.



**EBITDA margin**  
(%)

**Definition**

EBITDA margin is a profitability measure to ascertain a company's operating efficiency.

**Why this is measured**

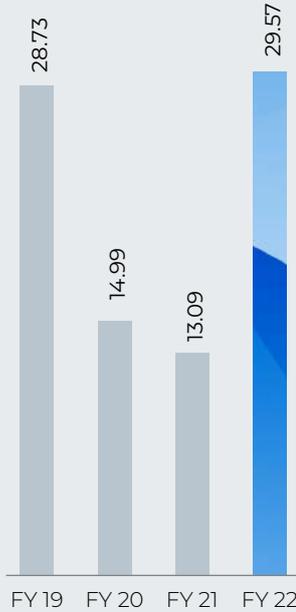
The EBITDA margin provides an index of how much a company earns (before interest, depreciation and taxes) on each rupee of sales.

**What this means**

This measure demonstrates the buffer in the business, which, when multiplied by scale, can enhance the business surplus.

**Value impact**

The Company reported a near 0.23 bps increase in EBITDA margin in FY 2021-22, which was our best year on account of a superior product mix, higher revenues and payback of business development costs.



**RoCE**  
(%)

**Definition**

This financial ratio measures efficiency with which capital is employed in the business.

**Why this is measured**

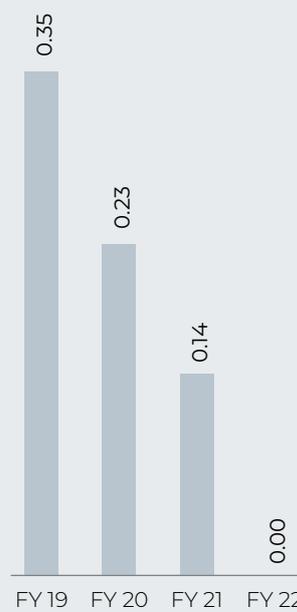
ROCE is an insightful metric to compare profitability across companies based on their capital efficiency.

**What this means**

Enhanced ROCE can potentially drive valuations and market perception.

**Value impact**

The Company reported a 1648 bps increase in ROCE in FY 21-22 following increased volumes, recovery of business development costs and economies of scale (manufacturing, distribution and brand).



**Gearing**  
(x)

**Definition**

This is the ratio of debt to net worth (less Revaluation Reserves).

**Why this is measured**

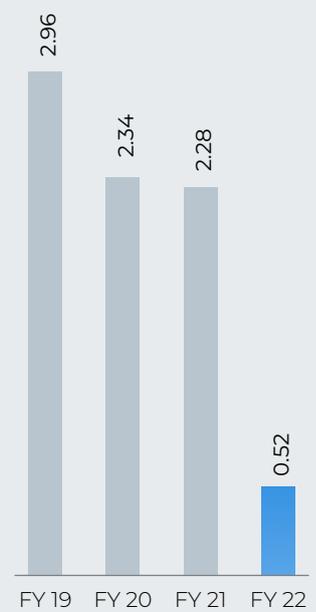
This is one of the defining measures of a company's solvency and liquidity.

**What this means**

This indicates whether the Company enhances shareholder value by keeping the equity side constant and progressively moderating debt.

**Value impact**

The Company's gearing stood at 0.00 in FY 2021-22 compared to 0.14 in FY 2020-21 following certain pre-mature long term loan repayments and no term loan added for a capex of ₹29 Cr. This ratio should ideally be read in conjunction with net debt/ EBITDA (lower the better).



**Debt cost**  
(%)

**Definition**

This is derived through the computation of the average cost of the consolidated debt on the Company's books.

**Why this is measured**

This indicates the Company's ability in convincing debt providers of the robustness of the business model and negotiating a lower debt cost (leading to higher margins).

**What this means**

This translates into enhanced cash flows and strengthens credit rating leading to declines in debt cost.

**Value impact**

The Company's finance cost was 0.52% of sales in FY 2021-22, its lowest ever. This ratio should ideally be read in conjunction with net debt/ operating profit (a decline indicating higher liquidity).

# Building an institution



**CHETAN TAMBOLI**  
Chairman and Managing Director

## Overview

The Company reported a breakout year in FY 2021-22 marked by profitable growth as profit in percentage growth terms was higher than revenues in percentage growth terms, indicating a shift in the operating dynamics of the business. That the Company achieved this during a year when input prices increased sharply indicates a maturing of its operating competitiveness and industry position.

The improvement was also a validation of a changing world where customers seek stability; vendor-partners are selected for reasons not completely influenced by the lowest bidding cost. There is a greater focus on business sustainability for customers and one of the important drivers of this

predictability is a need to work with stable vendors who have made long-term investments in systems, processes and practices.

We believe that our performance during the last financial year was partly attributed to the fact that most downstream customers selected to work with stable vendors who provided material of the highest quality on time and in full, strengthening their competitiveness.

## Long-term drivers

It would be misleading to indicate that the improvement in our performance was largely the result of a sudden change in the external marketplace that enhanced our relevance. The reason for our increased relevance was

because we have been a 'work in progress' story for the last six decades in business.

These have been various factors that enhanced our competitiveness across the years, reflected in our numbers during the last financial year.

**One**, we brought to our business a long-term perspective, possibly our most critical excellence driver. Even when we were relatively small with a considerably lower turnover, we always told ourselves that we were engaged in the business of creating an institution. This one perspective transformed our mindset: we invested in assets, talent, infrastructure and technologies with a long-term perspective, which meant that we often paid incrementally more for something that would deliver enduring value by way of quality, respect or revenues.

**Two**, by the virtue of making long-term investments, we shifted the needle of our people from seeking short-term arbitrage opportunities to building patient organisational value. The result was that our company, right down to the last person standing, carried a clear understanding of what was the right thing to do and what was not. Initially, this may have started with an understanding of processes and initiatives; over time, this nuance extended to integrity as well. Gradually, we realised that our people were not only talking of propriety from the perspective of a process or function (often referred to as standard operating protocol); they were referring to it from the

way business should be conducted or life to be lived.

Over the decades, this intellectual capital manifested in various ways: an understanding of how to translate a customer's complex requirement into a customised product; an insight into how to arrive at a precise understanding of the cost of designing, casting and machining the product; a perspective of the various metallurgical skills required to make a product of the highest quality.

The result is that we evolved to become process-led; we laid out standard operating protocols; we delegated responsibility cum authority to professionals; we recruited subject matter experts. The result is that, gradually and consciously, we shifted the centre of gravity of our company from promoters to professionals, enriching our culture.

### Outcomes

The results of these outcomes have been extensive.

Our company has emerged more responsive to changes in market conditions, resulting in opportunity-preparedness or de-risking. Our proximity to Alang (ship breaking hub) allows smooth raw material sourcing.

Our company entered into payable terms and procurement contracts with long-term vendors that made it possible to buy metals at costs lower than the prevailing market or LME.

Our company negotiated pass-through costs with customers – higher or lower costs were passed on – that liberated us to focus completely on efficient product conversion.

Our company generated a per person productivity of over 85% – measured shift wise – that generated a high outcome per invested rupee.

Our company brought terms like 'value-addition', 'RoCE' and 'product mix' into active currency within our company.

Our company recognised the importance of generating more from less, extending to the growing use of accruals and a lower proportion of debt in our business. **The result is that the Company is free of long term debt.**

### Looking ahead

We are optimistic about what lies ahead.

India is at the cusp of a capital expenditure wave, starting with unprecedented disinvestment in its infrastructure as outlined by the Union Budget 2022.

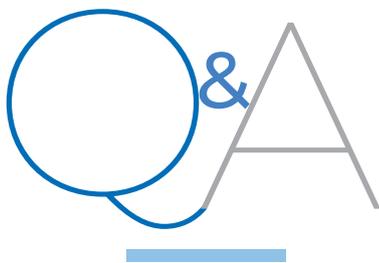
The cascade of India's capital expenditure is expected to translate into a larger order book for Steelcast. We are not merely competent to address this order book growth through our knowledge and experience; we also possess an under-borrowed Balance Sheet and under-utilised capacity.

Most of our customers indicate higher growth translating into sustained requirement for the next four to five years, strengthening our order book visibility. This is the trickle-down effect of what could be a long-term trend as a number of companies seek to exercise their China + 1 strategy, moderating their supply chain dependence on China and broadbasing it across other nations.

We brought to our business a long-term perspective, possibly our most critical excellence driver.

OPERATIONAL REVIEW, FY 2021-22

# The intrinsic profitability of the business strengthened during the year under review



## What was the highlight of the Company's performance during the year under review?

The highlight was profitable growth, which indicated that EBIDTA and PAT growth were higher than revenue growth in percentage terms. The Company's revenues grew 90.00%, EBIDTA grew 93.65% while PAT grew 177%, validating the value-accretive nature of our business and our capacity to amortise fixed costs more effectively following an increase in revenues.

### What were some of the other aspects of the Company's working during the last financial year that stood out?

The intrinsic profitability of the business strengthened during the year under review. Our EBIDTA margin reported a 23 bps increase to 21.19%, indicating that the larger the business became the more profitable it got. Besides, Return on Capital Employed strengthened 1648 bps to 29.57%. I must draw our shareholders' attention to our financial hygiene: we repaid ₹22 Cr of debt during the last financial year and our gearing improved from 0.14 to 0.00. The principal message that I wish to send out is that we did not grow our bottomline at the cost of our Balance Sheet; we did not deliver a better performance for the moment at the cost of our long-term business sustainability.

### What priorities made it possible for the Company to report profitable growth in FY 22?

There were four reasons for the Company's contrarian performance during the year under review.

**One**, the Company's order book comprised a larger proportion of value-added products.

**Two**, the Company's pass-through arrangement with customers made it possible to pass raw material inflation completely to customers.

**Three**, the Company moderated costs within its control through a better application of metallurgical insights.

**Four**, the Company repaid ₹22 Cr of long-term debt during the year, making it possible to decouple business growth from debt accretion.

We believe that these strategic priorities have created a robust foundation for the Company, wherein any growth from this point onwards will be attractively profitable without stretching the Balance Sheet.

### What were the principal challenges addressed by the business at the start of FY 2021-22?

During the second pandemic wave that transpired during the first quarter of the last financial year, the Company encountered a shortage of oxygen and a challenge in ramping up production with ancillaries. The Company responded with speed and sensitivity to the reality: it explored a higher wallet share of customers; it pitched to new customers as well. The result is that the Company reported 90.00% sales growth, which was more than ten times that of the national economy.

EBIDTA margin reported a 23 bps increase to 21.19%, indicating that the larger the business became the more profitable it got.

### What were other challenges encountered?

There was an almost 60% increase in the cost of inputs. This is the kind of inflation that the management has not seen in nearly four decades of its existence – for extent and speed. This strained our working capital management; besides, it enhanced our costs and affected our competitiveness for costs that would not be remunerated by our customers.

The Company recognised that the only way to soften the impact of this increase was by bringing the entire competence of the Company to bear. We ensured that our procured resources were received on time and were manufactured without additional incentivisation. We moderated rejects and our people delivered the highest talent cum equipment utilisation. The result is that our cost efficiency – the price at which we purchased raw materials became an industry benchmark - improved just when it mattered most; the Company was able to maintain raw material cost as a proportion of revenues at 50-52%. The profitability gap between our company and that of our competitors widened quarter-on-quarter. By the close of the last financial year, the Company had established its leadership by product mix and customer mix.

### What initiatives helped the Company strengthen its operational efficiency?

The Company recognised that the only manner in which it could control production better was through a structured exercise of its metallurgical competence. In a business where end products are largely customised, there would often be a variation between prescribed and delivered properties. Generally, this resulted



in our products having a higher mix of minerals or resources than was needed by the client. During the year under review, the Company strengthened its metallurgical competence to narrow this gap and eliminate the excess. The result was an attractive decline in incurred costs; the saving enhanced our bottom line. Besides the decline enhanced our respect among customers for being able to deliver a point exactly in line with what had been asked for.

### How critical was the need to generate a high talent productivity?

For successful and inspired companies, challenges bring the best out of their talent. This was visible in our performance during the last financial year. There were concerns and threats transpiring at the same time. Our people rose to the occasion; individual productivity climbed; key result areas extended from workmen to the executive staff so that everyone knew the role they had to play to make an organisational impact. Challenges were addressed with speed; no issues dragged. We looked after our people by protecting engagement at a time of the pandemic in addition to providing a significantly subsidised meal in the factory canteen. We provided incentives for collective outperformance. The result is that talent productivity climbed, which translated into superior financials.

### Is the Company optimistic of prospects?

The Company is optimistic about taking the FY 2021-22 improvement ahead. We expect a substantial performance improvement in FY23 based on our robust order book that could lead to higher volumes, economies of scale and better margins. Our ₹200 Cr order book at the close of the last financial year was more than twice the order book at the same time in the previous year, which provides us with an attractive growth platform.

There are only a handful of specialised foundry companies in the world with the integrated range of competencies that we possess (design to manufacturing to machining to quality assurance), making us a preferred vendor.

The Company possesses adequate capacity to increase production without incurring additional capital expenditure; this could improve asset utilisation and RoCE across the years.

The Company possesses a robust Balance Sheet with no long-term debt, empowering it to grow completely out of accruals.

The Company will expand in a modular fashion, strengthening its RoCE, the returns from each expansion providing resources for subsequent expansion. Besides, the Company is a large product provider to the mining, earthmoving and construction sectors that have emerged as beneficiaries of commodity inflation.

The Company possesses adequate capacity to increase production without incurring additional capital expenditure; this could result in improving asset utilisation and RoCE across the years.

# Steelcast's business model

*How we intend to enhance value from it*



## Best over big

At Steelcast, success is derived from the best at what we can do. This is of critical relevance in a capital-intensive castings business marked by scale and scope. A focus on competence enhances our asset utilisation, revenues and profitability leading to a reinvestment cycle that enhances scale. This validates what we have always believed: that passion generates scale and sustainability; not the other way around.



## Research

At Steelcast, we are a research-driven castings manufacturer. We invested in an R&D team comprising 16 professionals; our quality control team comprised 106 professionals during the year under review. This investment has translated into an ability to manufacture specialised castings with demanding metallurgical properties



## Integration

At Steelcast, we believe that in our competitive business, success is derived from an aggregation of margins across products. However, once our overall solution is integrated, whereby one activity becomes the input for the other, the impact is anything but moderate. This integration (design to casting to machining) represents the heart of our value-added sustainability.



## Flexible portfolio

At Steelcast, the advantage of our horizontally integrated manufacturing architecture is its inherent flexibility. We can move from one product to another (producing less of one but more of the other) based on the market dynamics that translate into higher margins, strengthening our positioning as an RoCE- and RoE-driven company that seeks to remain the most profitable in its sector.



## No speculative positions

At Steelcast, we see our role as an efficient convertor of resource or raw material into a range of finished products. This strategic clarity has translated into a few imperatives: investments in conversion efficiency, low material use, high financial returns, enhanced quality focus and the absence of speculative positions on our raw materials or finished products that could potentially distract us from our focus. The result of this approach is not just a consistent focus on the manufacture of castings of the highest quality; it is also a focus on selling as much as we can as fast as we can, resulting in a short receivables cycle that protects our liquidity across market cycles.



### Environment responsibility

At Steelcast, we believe there is a growing premium on the need to be environmentally responsible beyond what has been statutorily specified. We believe that environment responsibility enhances employee morale, community respect, lender confidence and shareholder assurance. Interestingly, this investment in environment protecting assets is not defensive; it has helped us moderate resource consumption and costs, strengthening our profitability. At Steelcast, 'green' business has been good business as well.



### Niche

At Steelcast, even as we are present in a large castings space, there is an emphasis on finding value-added niches. For instance, we have selected to manufacture complex and challenging castings using advanced metallurgical processes, an effective moat for our business. This makes it possible for demanding customers to work with us in the long-term, preventing them from moving to other vendors only on the basis of the lowest price.



### Diversified

At Steelcast, we have broadbased our presence (nationally and internationally) across multi-industry OEMs (earthmoving, mining, construction, cement, steel, railway infrastructure, railway locomotives, ground-engaging tools and transportation segments. Most of these OEMs are ranked in the top five worldwide of their industry segments.



### Machined

At Steelcast, we will continue to enhance the proportion of our output of machined ready-to-use components that obviates the needs of our customers to process our products further at their end – graduating a product into a solution.



### Global

At Steelcast, we will continue to service the needs of downstream OEMs worldwide. The quality of our solutions has resulted in 54% of our revenues being derived from exports; 95% of our global revenues in FY 2021-22 were derived from customers of five years or more; no customer accounted for more than 23% of our global revenues, indicating the broadbased nature of our international exposure.



### Difficult to make

At Steelcast, we have consciously selected to make challenging castings, marked by complex and demanding metallurgical properties as well downstream applications. This capability serves as an effective competitive edge; the space in which the Company operates is niche, resulting in multi-year and growing engagements with the same customers, references to new customers and value-accretive engagement terms.



### De-risking

At Steelcast, we enter into contracts with customers where we pass on cost increases or declines to customers. Our pre-decided sales price variation clause removes ambiguity, enhances our focus on operational efficiency and product customisation, and ensures that our profitability is completely influenced by our core competitiveness.



### Liquidity

At Steelcast, we prefer to work with high liquidity and low debt. The Company did not have any long-term debt at the close of FY 2021-22; our cash accruals were ₹50.96 Cr as on 31st March, 2022 and likely to rise, considering that no sizable capital expenditure is being planned.



### Certifications

At Steelcast, we are engaged in the business of trust. We have enhanced the confidence of our customers through a complement of certifications like ISO: 9001, ISO: 14001, ISO: 45001, EN: 9100, Class A Certified Foundry, TPC Certificate for Casting, Heat Treatment & NDT, AAR Certification (Under Renewal) and NABL Accredited Inhouse Laboratory. The Company invested in an in-house machine shop as well as measuring instruments like fixed CMM, Faro Arm, etc.

# Our Stakeholder Value-Creation Report, FY 2021-22

*How we enhanced value in an integrated, inclusive and sustainable way*

## Overview

The Integrated Value-Creation Report overcomes the conventional approach with a comprehensive framework that captures a wider set of initiatives and addresses a larger family of stakeholders.

The Integrated Reporting approach explains the sectoral context, analyses corporate strategy and competitiveness leading to different reporting strands (financial, management commentary, governance and remuneration, and sustainability reporting) integrated to express an organisation's holistic ability to enhance value.

Integrated Reporting explains to providers of financial capital how an organisation enhances value. Its impact extends beyond financial stakeholders; it enhances understanding across all stakeholders - including employees, customers, suppliers, business partners, local communities, legislators, regulators and policy-makers - focused on an organisation's ability to improve value across time. This shift from the 'hard' to 'soft' (non-financial data) helps screen a Company more comprehensively, addressing the growing needs of external stakeholders.

## Our overall value enhancement strategy





**Stakeholder**

**Focus**

Our employees represent the aggregate knowledge of how to grow the business across a range of functions (procurement, manufacturing, machining, sales and distribution, finance etc.).



Our focus is to provide an exciting workplace, generate stable employment, and enhance productivity.

**Our shareholders** provided capital when we went into business



Our focus is to generate attractive cash flows, growing RoCE and enhanced investment value

**Our vendors** provide credible and continuous supply of resources (steel) and services



Our focus is to maximise quality procurement at declining average costs with the objective to widen our markets, strengthening sustainability

**Our customers** keep us in business through a consistent purchase of products, generating the financial resources to sustain our operations



Our focus is to provide products diversified across applications customised around different sectors

**Our communities** provide the social capital (education, culture etc.)



Our focus is to support and grow communities through consistent engagement

**Our government** provides us with a stable structural framework that ensures law, order, policies etc.



Our focus is to remain a responsible, law-abiding and law-compliant citizen

# How we enhance value

## Our resources



### Financial capital

The financial resources that we seek are based on funds we mobilise from investors, promoters, banks and financial institutions in the form of debt, net worth or accruals.



### Manufactured capital

Our manufacturing assets, technologies and equipment for production constitute our manufactured capital. The logistics for the transfer of raw materials and finished products are integral to our manufacturing competence.



### Human capital

Our management, employees and contract workers form a part of our workforce, the experience and competence enhancing value.



### Intellectual capital

Our focus on cost optimisation and operational excellence, as well as our repository of proprietary knowledge account for our intellectual resources.



### Natural capital

We depend on raw materials sourced from nature, including metals and crude oil derivatives, indicating a moderate impact on the natural environment.



### Natural capital

We depend on raw materials sourced from nature, including metals and crude oil derivatives, indicating a moderate impact on the natural environment.

## Value created

### Financial capital

- Turnover ₹302.36 Cr
- Earnings per share ₹16.44
- ROCE 29.57%

### Manufactured capital

- Quantum of tonnage produced 13,263
- Quantum of tonnage sold 12,026

### Human capital

- Direct and indirect employees
- Number of employees 1,464
- Total remuneration, FY 2021-22 ₹28.36 Cr

### Intellectual capital

- Cumulative senior management experience 723 years
- Among the most respected companies in India's organised casting sector

### Natural capital

- Materials recycled into process 10,955 tonnes

### Social and relationship capital

- Number of customers 44
- Number of vendors 1,288

## Value shared with

**Investors:** The Company enriched investors through dividends and capital appreciation

**Suppliers:** The Company sourced ₹98.52 Cr of materials from suppliers

**Employees:** The Company provided remuneration worth ₹28.36 Cr and a stable employment

**Customers:** The Company provided castings for diverse applications

**Government and regulations:** The Company paid ₹13.55 Cr to the exchequer; the employment catalyzed the local community through downstream economic benefits

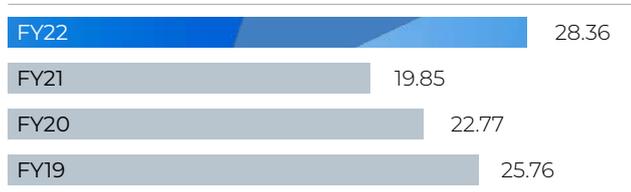
## Our strategy

 Strategic focus	 Vendor focus	 Shareholder focus	 Customer focus	 Employee focus	 Community focus	 Government focus
<p><b>Key enablers</b></p>	<p>STEELCAST has generated a growing appetite for resources and services, a robust platform for vendors with a long-term focus and capable of supplying a consistent quality</p> <p>The Company works with a domestic base of resource providers</p>	<p>STEELCAST emphasises governance, operational excellence, cost leadership and information transparency.</p> <p>The Company is focused on profitable topline growth</p> <p>The Company reported ₹50.96 Cr of cash profit at the close of FY 2021-22</p>	<p>STEELCAST remains a preferred castings provider</p> <p>The Company's capacity to customise castings in line with demanding downstream needs has resulted in multi-year engagement</p>	<p>STEELCAST is an employer of more than 887 people</p> <p>The Company empowers professionals through growing roles and responsibilities</p> <p>It trains employees, provides stable employment and other supports</p>	<p>STEELCAST is a responsible corporate citizen.</p> <p>STEELCAST provided more than 0.1 Mn meals in FY 2021-22</p> <p>The Company invested in renewable energy, sewage treatment, recycling biodegradable/ plastic/e-waste and ozonator water treatment as a part of its commitment to a cleaner world</p>	<p>STEELCAST pays taxes in the geographies of its presence, generates local employment, complies with laws and statutes and enriches the communities where it is present.</p> <p>The Company generated ₹155.54 Cr in foreign exchange earnings for its Indian operations in FY 2021-22</p>
<p><b>Material issues / addressed</b></p>	<p>Superior use of cutting-edge technologies leading to solutions differentiation</p>	<p>Creating the basis of long-term viability through a superior price-value proposition</p>	<p>Enhancing multi-year customer engagement through superior delivered value</p>	<p>Creating a professional culture seeking overarching excellence in everything the Company does</p>	<p>Responsible community engagement, which comprises a license to operate</p>	<p>A complete compliance with statutory dues and approvals</p>

# Our value-creation in numbers

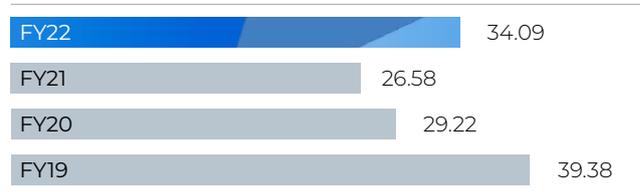
## Employee value

Salaries and wages (₹ in Cr)



The Company has invested a progressively larger amount in employee remuneration, underlining its role as a responsible employer

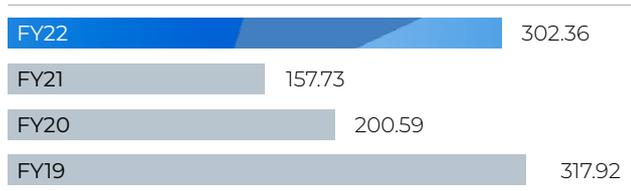
Revenue per person (₹ in Lakh)



The Company's investment in its people (training, empowerment and career growth) translated into increased productivity as measured in terms of revenue per person

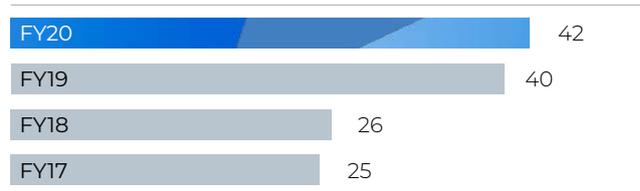
## Customer value

Revenues (₹ in Cr)



The Company has generated increased revenues, an index of the value created for customers coupled with an increase in average items sold to each customer.

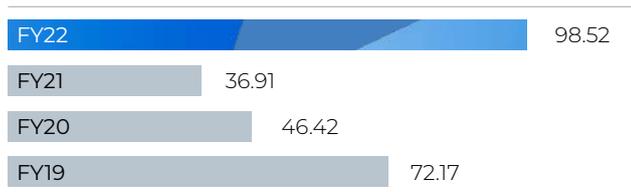
Number of customers



The Company broadened the base of revenue generation by adding more customers.

## Vendor value

Procurement (₹ in Cr)



The Company procured a larger quantum of resources through the years, strengthening procurement economies

## Shareholder value

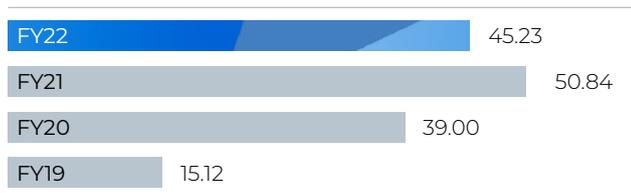
Market capitalisation (₹ in Cr)



The Company strengthened shareholder value through a complement of prudent business strategy, accrual reinvestment, leveraging the value chain, cost management and share buyback.

## Community

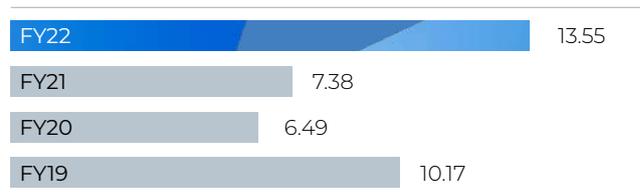
CSR investment (₹ in Lakh)



The Company enriched communities in the geographies of its presence.

## Government

Taxes paid (₹ in Cr)



The Company reinvested in locations where its operations are located through the prompt payments of taxes and other statutory dues.



EXCELLENCE DRIVER

# Steelcast's culture of manufacturing excellence

## Overview

- Steelcast Limited produces steel and alloy casting products of weights ranging from 2.5 Kg to 2,500 Kg
- The Company uses sand-based and shell moulding processes
- The Company invested extensively in its infrastructure to enhance capacity, quality and efficiency
- The Company's production capacity increased from 13,000 MTPA to 30,000 MTPA coupled with process upgradation and new manufacturing methods.
- The Company possesses the capability to produce more than 300 parts

## Strengths

- Skilled 255 professionals to manage operations
  - Equipped with a cobalt camera, radiography facility with IR2 and pattern shop requirements
  - CNC machine shop with induction hardening facilities,
- CMM facility and an environment laboratory (NABL and ILAC-approved)
- Advanced foundry equipment from IMF, Italy, and OMEGA, UK, with reproducibility across all workstations
- Design and installation of a world-class agitating system in the quench tank

## Process advantages

- P1 process type sand moulding process with polyurethane no bake (PUNB) binder used by few major global foundries, with low manufacturing costs.
- P2 process type shell molding (corning) process with a high dimensional accuracy over conventional sand molding; one of few global foundries to make steel and alloy steel castings
- P5 process type sand molding with the highest reclaimability among chemically bonded sand for re-use; preserves natural resources; reduces costs

## Challenges and counter-initiatives, FY22

- The Company encountered a slowdown in offtake in FY 2020-21 and resource inflation in FY 2021-22. The Company's cost rationalisation comprised the following initiatives:
- Enhanced productivity, moderating talent cost per unit of output
- Superior input-output ratio, moderating the consumption of key raw materials
- Moderation of process reject rates by 33% from the earlier level
- Reduction in processing throughput time

## Highlights, FY22

- The Company signed a 25-year power purchase agreement for its solar, wind and hybrid power projects.
- The Company is planning to commission a 5 MW solar power plant in Gujarat for captive power consumption, securing availability and moderating costs.
- The Company entered into the manufacture of castings addressing the defence and railways segments

## Outlook

The Company intends to develop 100 more parts in the next three years, widening its portfolio by a third

# How our products feature in everyday life

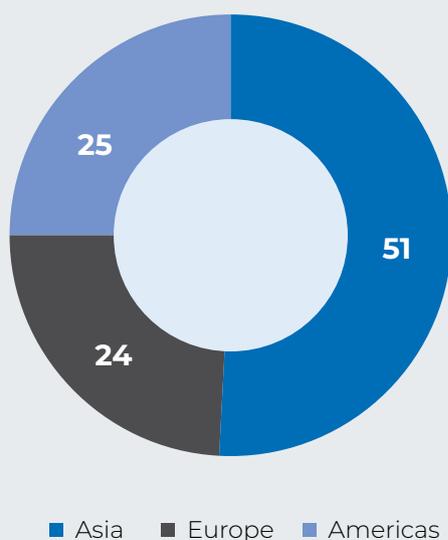
Industry	Market size	Growth rate in India	Supporting government policies	Products	Company's revenue share in this segment
Earthmoving equipment manufacturers	The earthmoving equipment market size was 73,000 units in FY21 and is estimated to increase to 210,000 units in 2030. (Source: statista.com)	The global earthmoving equipment market is projected to reach USD 84.24 Bn by 2026, exhibiting a CAGR of 2.4% during the forecast period. (Source: statista.com & globenewswire.com)	The Ministry of Mines of the Government of India signed MoUs regarding the technical exchange and development of the mining sector with different nations.	Adapter and tooth points, track shoe, cross member, flange, hitch, support flip arm and support. (Source: indiamart.com)	53%
Mining equipment manufacturers	The mining equipment market size exceeded USD 70 Bn in 2020 and is expected to grow at around 5% CAGR between 2021 and 2027. (Source: gminsights.com)	The Mining equipment market is expected to grow at a CAGR of 1.8% from 2018 to 2025. (Source: marketwatch.com)	The Ministry of Mines of the Government of India signed MoUs regarding the technical exchange and development of the mining sector with different nations. (Source: ibef.org)	Idler, fork type corner tools, rack and pinion, cutting edge, apron pan assembly, box type tooth pointers, tooth point and adapters continuous drag chain, deck panel, jaw plate, bowl liner, cutter, track shoe assembly, hammer, ring hammer, linkage, bearing support, tri-power hub, track link and bowls and mantles.	24%
Construction equipment manufacturers	The global construction equipment market was pegged at USD 136.3 Bn in 2020. This market is expected to grow to USD ~234.6 Bn by 2030. The global market for construction equipment is expected to grow at a CAGR of 5.9% between 2021 and 2030. The Indian market is expected to grow attractively in the coming years (Source: statista.com)	The construction equipment industry recorded a 47% growth in Q2FY22. Cement demand is estimated to reach 419.92 MT by FY 2026-27. (Source: livemint.com, ibef.org)	The Indian construction equipment industry, in its The 'Vision Plan 2030' released by the Union Minister for Road Transport and Highways and MSMEs, proposed an action plan to help India become a manufacturing and export hub for construction equipment and boost the development of world-class infrastructure in the country. (Source: auto.economictimes.indiatimes.com)	Bucket link Pivot eye Pivot base	16%
Steel Plant Equipment Manufacturers	The global high strength steel market size was USD 31.03 Bn in 2019 and is estimated to reach USD 54.07 Bn by 2027, growing at a CAGR of 7.4% during the forecast period (Source: fortunebusinessinsights.com)	Steel demand in 2022 is expected to remain steady after hitting an all-time high in 2021 despite cost pressures and is projected to reach USD 54.07 Bn by 2027. (Source: thehindustanbusiness.com & fortunebusinessinsights.com)	The National Steel Policy aims to boost per capita steel consumption to 160 kgs by 2030-31. The government aims to increase rural steel consumption from 19.6 kgs per capita to 38 kgs per capita by 2030-31. (Source: ibef.org)	Grate Bars	0.20%

Industry	Market size	Growth rate in India	Supporting government policies	Products	Company's revenue share in this segment
Cement Plant Equipment Manufacturers	India's overall cement production accounted for 294.4 Mn tonnes (MT) in FY21. This number is expected to reach 550 MT by 2025. (Source: ibef.org)	Indian cement production is likely to increase by 12% to 332 mt in FY22 and by 8% in FY23. Cement demand is estimated to touch 419.92 MT by FY 2026-27. (Source: constructionworld.in)	The PM Gati Shakti - National Master Plan (NMP) aims at enhancing multi-modal connectivity. Gati Shakti will help create a world-class, seamless multi-modal transport network in India. This could grow the demand for cement. (Source: ibef.org)	Cooler grate plates (CFG), cooler grate plates (RFT), cooler grate plates, blow bar. (Source: indiamart.com)	3%
Railways	Indian railways' revenue reached USD 23.30 Bn in FY22 (as of 10th March, 2022). Freight earnings experienced a year-on-year growth of 21.81% It stood at USD 17.68 Bn in FY22 (until March 2022) compared to FY21 which was at USD 16.04 Bn. The total passenger revenue stood at USD 4.66 Bn until 10th March, 2022, compared to FY21, which was at USD 2.03 Bn. This was a 162.46% growth. (Source: ibef.org)	India is projected to account for 40% of the total global share of rail activity by 2050 (Source - ibef.org)	The proposal has been cleared by the Government of India for allowing 100% FDI in Railway infrastructure, apart from operations, through automatic route.  The railways announced a bullet train between Ahmedabad and Mumbai as part of the MoU between the Indian railways and Japan. (Source: Business Standard)	Side frame, coupler body, bolster	Nil
Locomotives	The global market size stood at USD 12.34 Bn in 2020. (Source: fortunebusinessinsights.com)	The global locomotive market is anticipated to register a CAGR of about 3% during the forecast period (2020 - 2025). (Source: fortunebusinessinsights)	Not applicable	Pressure plate, support coil, bearing housing, cylinder head, commercial chamber	3%
Ground Engagement Tools	The global ground engagement tools market was valued at 2295.28 Mn USD in 2020 and could grow at a CAGR of 1.55% from 2020 to 2027 (Source:marketwatch.com)	With the mitigation of the COVID-19 crisis, OEMs are evaluating long-term supply chains to ensure rapid market recovery. Large mining companies are installing OEM bucket teeth and adaptors; they are sourcing matching bucket teeth from suppliers to fit these adaptors. The use of ground engagement tools is anticipated to rise in remote mining sites in Australia and at many large and small sites in Indonesia, which could boost the Asia-Pacific ground engagement tools market growth. (Source: fortunebusinessinsights)	Not applicable	Not applicable	1.8%

## EXCELLENCE DRIVER

# Steelcast's sales and marketing effectiveness

Destination of sales revenues by %, FY 2021-22



### Overview

- The products manufactured by the Company address high-performance mission-critical applications
- The Company's sales effectiveness has been reinforced by product cum service, resulting in an overall solution
- The Company is engaged in a segment where sales are the outcome of technical competence, product customisation, timely product delivery, high ESG compliance and price-value proposition
- The Company's sales stability and revenue visibility are derived from multi-decade relationships and long-term contracts

### Challenges and counter-initiatives, FY22

The Company was faced with threats arising from an excessive dependence in the mining, earthmoving and construction sectors.

To defray this risk, the Company entered into a long-term supply agreement to supply steel castings for a North American railroad OEM, entering a new segment and broadbasing revenues

## Highlights, FY 2021-22

With 240 parts in its product portfolio, the Company has one of the largest product offering in India's specialised castings sector.

In the five years ending FY22, the Company developed and commercialised 60 new parts. This accounted for 16.50% of the

Company's revenues in FY 2021-22

## Strengths

- 98% of the Company's revenues in FY 2021-22 were derived from customers of ten years or more
- 56% of the Company's revenues were derived from international sales; international sales increased 225% in the five years ending FY 2021-22
- 91% of the Company's revenues were derived from its five largest customers; 97% of the Company's

revenues were derived from the five largest countries

- The Company serviced the needs of more than 42 customers (engaged at least once in the last five years)
- The five largest sectors serviced by the Company accounted for 98% of the Company's revenues in FY 2021-22

- The Company's order book more than doubled in the last one year, generating a six month revenue visibility (based on FY 2021-22 revenues)

## Outlook

The Company intends to work closer with customers to carve out a larger wallet share and also enter adjacent sectors. The Company intends to widen its portfolio, strengthening its sales effectiveness.

The proposed entry into the North American railroad industry will help broadbase the sectoral and customer profile, generating additional revenues. The steel

castings covered in the agreement are in advanced stage of development, undergoing testing in North America and we will have a potential of about roughly ₹75 Cr of volumes a year in a couple of years.

The size of the markets for our products are around 400,000 tons a year (900,000 tons including North American railroads); the Company's exposure of about

3-4% leaves attractive headroom at a time of growing global competitiveness.

Besides, India's growing defence sector opportunity appears to be at the cusp of growth for the eco-system, incentivised by the decision of the government to ban imports for more than 100 items, seeding an entire domestic sector from scratch.

## The sectors addressed by our company

Earthmoving equipment manufacturers	Mining equipment manufacturers	Construction equipment manufacturers
Steel plant equipment manufacturers	Cement plant equipment manufacturers	Railways (including US railroad)
Ground Engagement Tools	Locomotives	Transportation

## EXCELLENCE DRIVER

# How Steelcast widened and deepened its international footprint

### Overview

At Steelcast, we are engaged in broadbasing our geographic footprint with the objective to moderate an excess dependence on India. This export consistency has been derived from promoting

the Company's dependability in the international markets, highlighting the multi-year relationship with marquee global players and capacity of the Company to address demanding

quality or delivery schedules. Steelcast also leverages the fact that it is a Two-star Export House, validating its credibility.

### Strengths

- The Company addressed the needs of more than 23 international customers
- Ability to design, fabricate and machine complex products, enhancing its mission-criticality
- The machining of products saves customers corresponding time

- The timely delivery of quality products, helping moderate the customer's inventory (and hence working capital)
- Competitive pricing, enhancing the customer's price-value proposition
- Global revenues from customers

of five years or more comprised 54% of the Company's revenues

- The five largest countries of the Company's presence accounted for 54% revenues in FY 2021-22

### Highlights, FY 2021-22

▪ Demand for quality castings strengthened from the Earth Moving, Mining & Construction Equipment sectors

▪ The Company's exports grew 122% to ₹170.33 Cr; exports accounted for 56% of the Company's revenues

▪ Year-end export order book was ₹200 Cr as against ₹95 Cr at the close of FY21.

### Outlook

There was a revival in global capital expenditure that strengthened the Company's order book. Besides, the China+1 strategy empowered customers to seek alternative

suppliers, strengthening the prospects of Indian casting companies. The Company intends to widen its global footprint from 13 to 15 countries across five

years, enhancing its capability in addressing a wider range of opportunities.

## EXCELLENCE DRIVER

# How we took our Research & Development competence ahead

### Overview

The design, fabrication and machining of complex castings warrant a consistent commitment to specialised research. The progressive investment makes it possible for companies to address the increasing market need for quality, tolerance and precise metallurgical properties that make end products safer.

In line with this secular direction,

evident from the time the Company went into business, the Company commissioned a formal and organised R&D division in 1976 (subsequently recognised by Department of Science and Technology). The Company's R&D function was commissioned to enhance product development, output quality and process efficiency. The Company progressively invested in cutting-

edge infrastructure, equipment and professionals, strengthening its position as a forward-looking organisation.

The deepening of a competence in cutting-edge metallurgy and foundry technology empowered the Company to introduce customised products of increased and complex metallurgical properties.

### Strengths

The Company possesses a portfolio of 240 parts, one of the largest in India's specialised castings sector; 25% of the portfolio was developed and commercialised in the five years ending FY 2021-22; it accounted for 16.5% of the Company's revenues in FY 2021-22

The Company's portfolio comprised parts addressing mission-critical requirements across a range of downstream sectors

The Company invested in cutting-edge software that imitates process parameters and solidification of casting in heat treatment in new product development

The Company invested in testing equipment for different sands (resin coated and no-bake sands) and tests for critical parameters of quenching media (water and polymer)

The Company invested in a professional team to conduct complete failure analysis and provide the latest technical inputs based on fractography and SEM/EDS reports

The Company's R&D function comprised an institutionalised approach of periodic audits; the installation of new equipment with 5-axis machining features were directed to moderate one cycle time, enhancing productivity.

The Company invested in a complement of certifications (NABL, RDSO and TPG), enhancing process discipline, outcome consistency and respect

The Company worked with a team of 217 technocrats and technicians, strengthening its team

The Company leveraged a robust technology platform system (software simulation, Magma solidification tool, internal radiography with iridium and cobalt, as well as heat treatment facility with an agitation system)

## Highlights, FY 2021-22

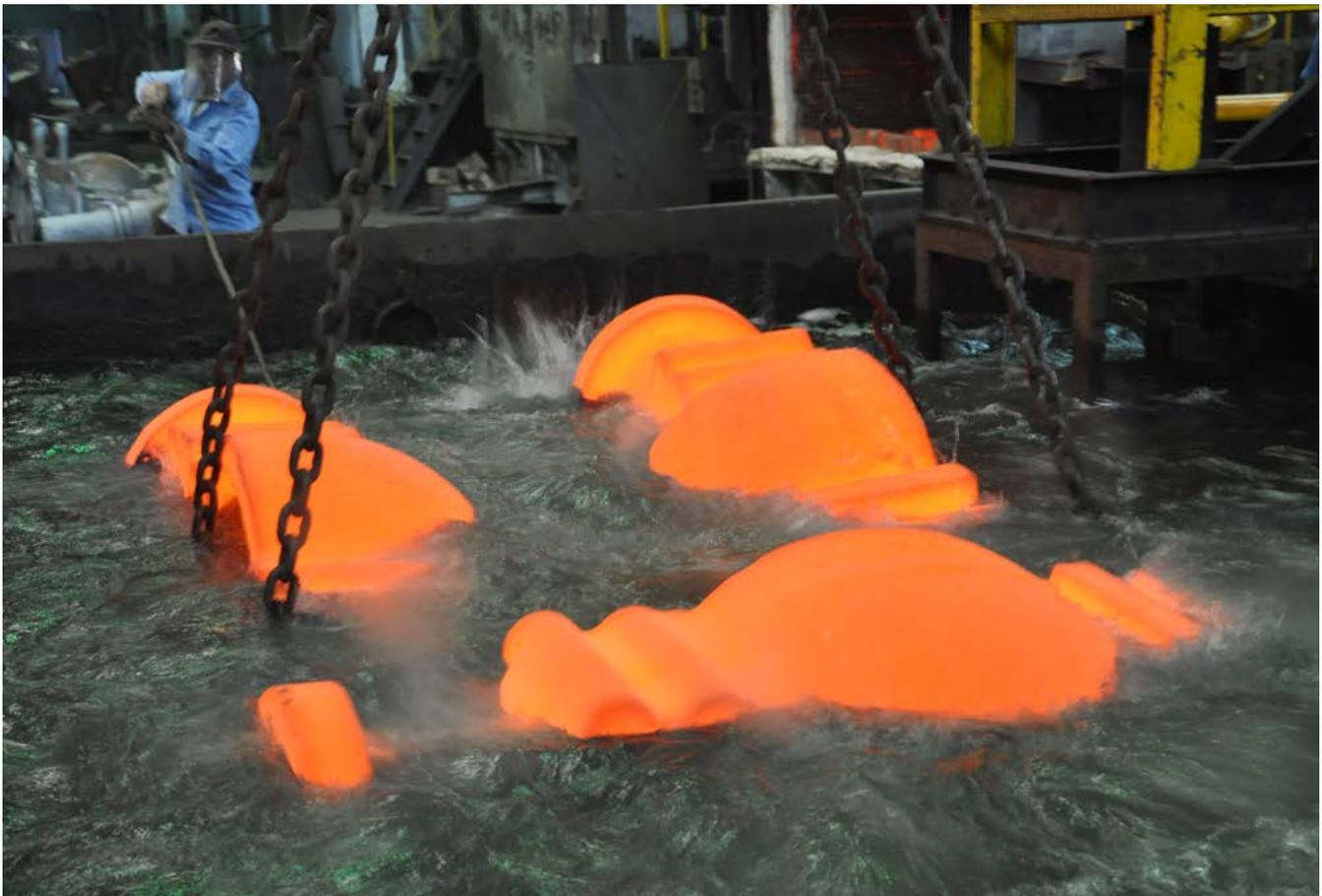
- Commissioned a method to de-sulphurise and de-phosphorise liquid metal in the induction furnace
- Switched from liquid fuel (FO/LDO) to gas (LPG) for all heat treatment furnaces to derive higher thermal uniformity inside the furnace chamber, influencing castings quality
- Installed a high-tech rollover type flood coat unit for consistent refractory coating molds and the installation of a fully automated pouring/cooling line for consistent poured casting cooling
- Installed a battery of fully automated CNC machines, ensuring consistent machined dimensional castings quality
- Replaced the conventional Co2 molding process with the PUNB no bake process
- Converted manual molding to fully automated flask-less fast loop molding line

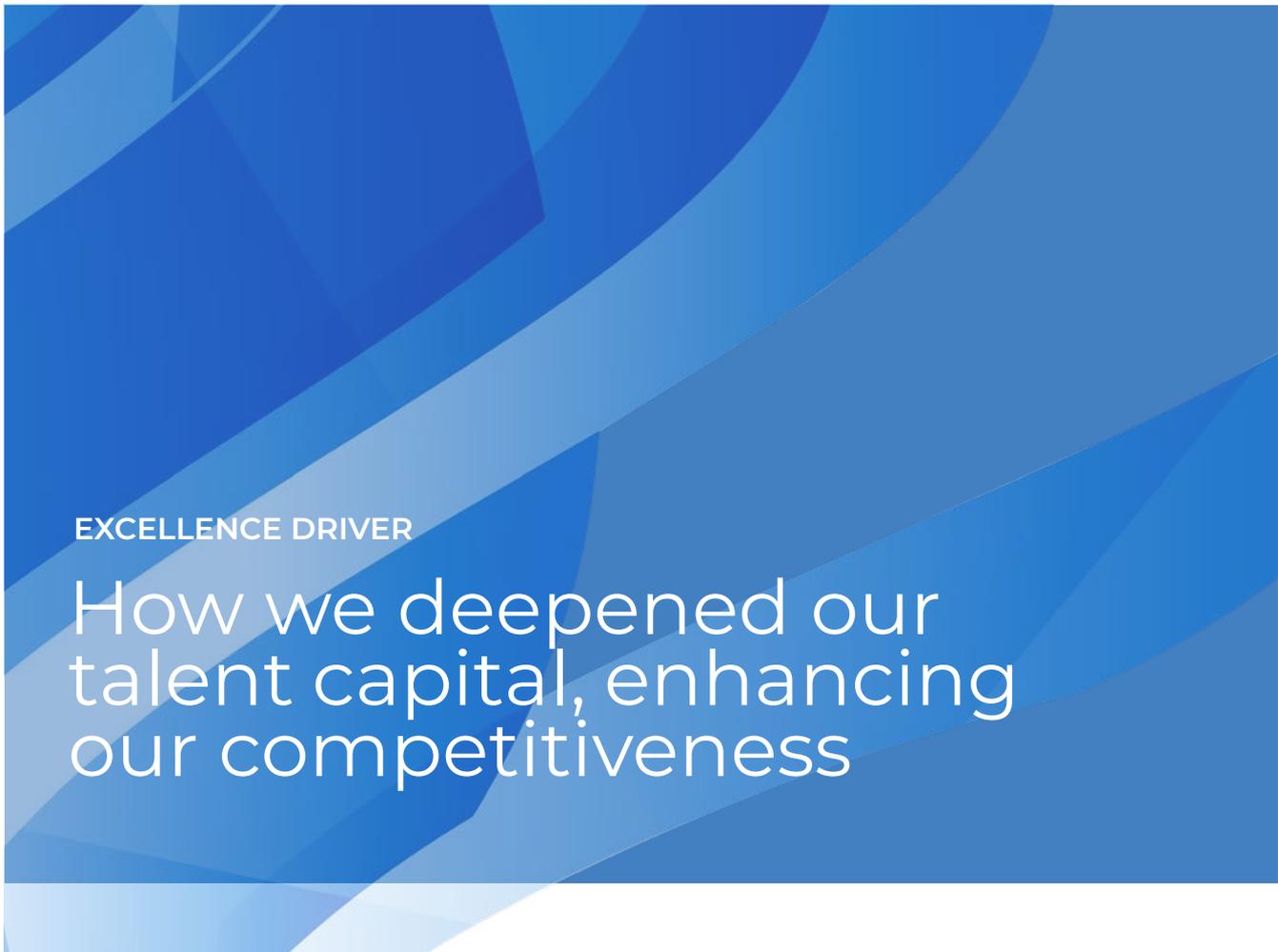
## Outlook

The Company plans to introduce new products for existing customers, enter new sectors and develop new products. To reduce concentration on conventional segments (mining, earthmoving

and construction), the Company signed a long-term supply agreement with a large OEM in USA to supply steel castings for the North American railroad industry. The Company intends

to deepen its R&D capability with the objective to enhance product introduction, quality and productivity.





EXCELLENCE DRIVER

# How we deepened our talent capital, enhancing our competitiveness

## Overview

In a knowledge-driven business like Steelcast, the quality of talent influences competitiveness. The Company invested in a complement of academic

qualifications, professional experience and hands-on capabilities through an interplay of empowerment, accountability, fair performance appraisal reward and

remuneration. The result was peak talent retention of 98.5% during the year under review.

### Covid-centric initiatives

Distributed rations to workmen for a month	Provided complete remuneration to employees	Monitoring of Covid norms by the Chairman and Managing Director	Engaged in virtual reviews following work from home	Conducted a vaccination drive for employees
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As on 31st March	2019	2020	2021	2022
Employee (SOR)	811	688	599	887
Retention rate %	98.53	97.87	96.63	98.55
Male employees	811	688	599	887
Female employees	0	0	0	0
Training person-hours	6479	7045	4334	5226
Employees, 18 to 21	22	4	2	55
22 to 35	446	354	266	474
36 to 45	173	169	178	213
46 to 60	170	161	153	145
Total	811	688	599	887
Employees, <5 Years	463	300	259	563
>5 Years	348	388	340	324
Qualification, Graduate	22	20	20	24
Masters	10	9	6	9
Engineers	192	168	158	217
MBA's	2	3	3	3
CA/CMA/CS	2	2	2	2
Others	583	486	410	632

As on 31st March	2019	2020	2021	2022
Revenue per employee (₹ in Lakh)	39.38	29.22	26.58	34.09



## RESPONSIBILITY

# Our commitment to responsible Environment, social and government (ESG) review

### Overview

Steelcast prioritised investments in ESG, strengthening holistic business growth, quality, sustainability and respect. Investors are increasingly aligned through a desire to understand a company's long-term value creation plan and also receive credible, standardised information to support long-term risk assessment. The criteria are used by socially-conscious investors and shareholders to screen investments and assess the Company's impact on the world. They affect how the Company gathers and retains funding from investment funds with a 'socially

responsible' investment strategy.

A growing number of global manufacturers are recognising financial and environmental benefits from sustainable business practices. Besides, stringent environmental norms regulating agencies are helping reduce resource depletion, water scarcity, pollution and other harmful impacts.

The result of these realities is a greater emphasis on sustainable manufacture. This comprises the manufacture of products through economically sound processes

that moderate the consumption of energy and natural resources while reducing negative environmental impact, in addition to enhancing employee, community and product safety.

Besides, there is a growing emphasis on aligning business existence with United Nations' 10 principles for manufacturing responsibility and environmental sustainability, covering Human Rights, Labour interests, Environment responsibility and Anti-Corruption initiatives.

### Our management's approach

Steelcast's focus lies in consuming less and manufacturing more while minimising environment impact. It is the Company's conviction that the most successful, profitable and sustainable companies are ones benchmarked around the most stringent environmental standards.

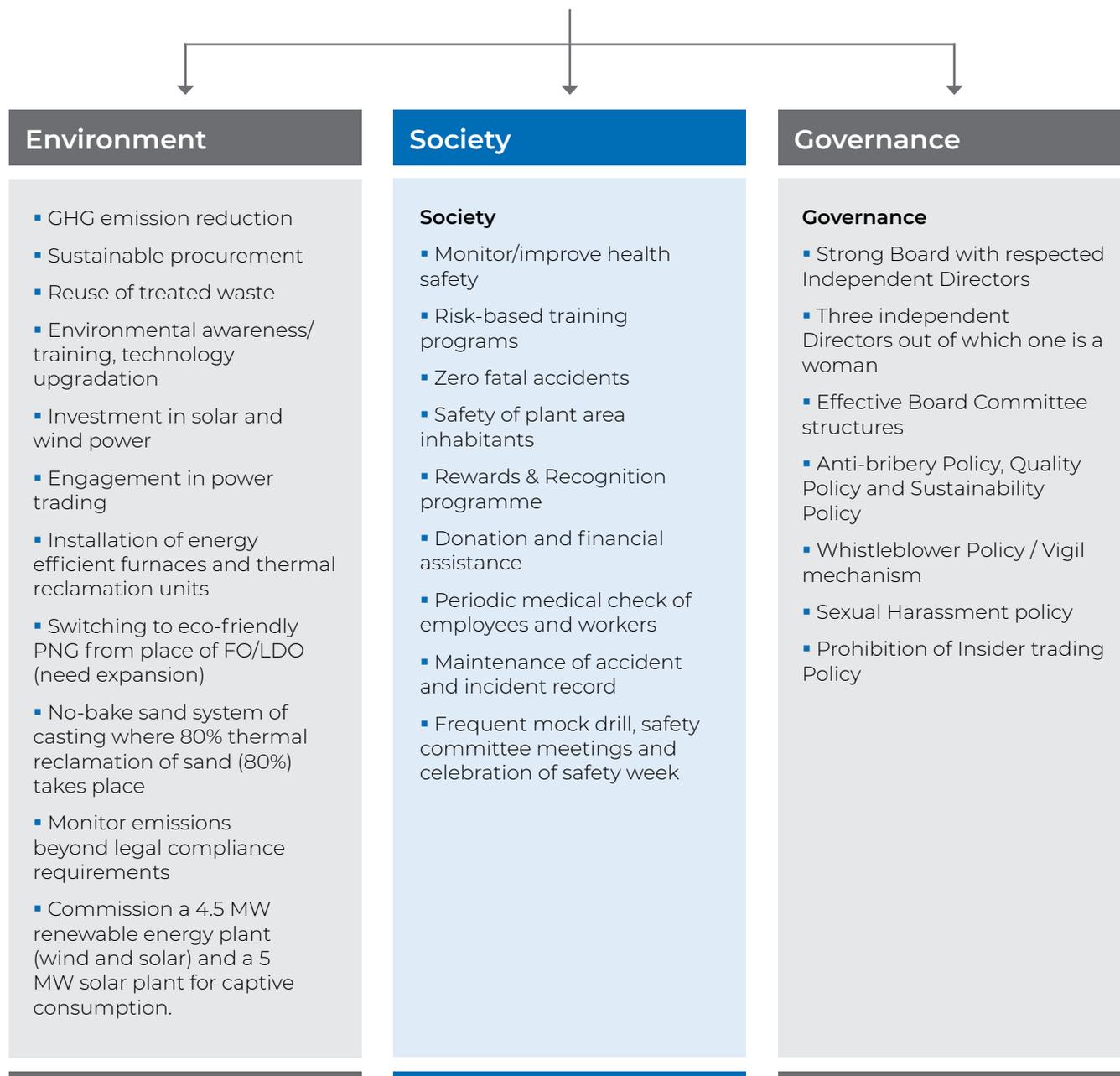
Steelcast progressively produced specialised castings through progressively responsible

processes. It invested in low-carbon technologies that translated into enhanced resource and energy efficiency, reducing its carbon footprint. The risk mitigation policies were outlined keeping in mind its long-term vision on the one hand and enhanced sustainability-driven prosperity on the other. In doing so, the Company focused on the reduction of its environmental footprint, planet preservation and moderated resource consumption

through a proactive investment in the use of modern technologies, practices, methodologies and standards.

At Steelcast, we emphasise manufacturing scalability on the one hand without depleting finite natural resources on the other. This environment responsibility has been reinforced through the various R's, comprising reduction, recycling, restoration, replacement and renewables

# Our ESG credentials



# RESPONSIBILITY

## Our corporate social responsibility

### Overview

Steelcast is a responsible and sensitive corporate.

The Company is not only driven by the need to make the world a better place through the manufacture of a safer and technology-advanced casting product but also through a widening prosperity circle.

Our corporate citizenship is defined by a number of priorities.

**One**, we believe that we are engaged in business to make the world a better place.

**Two**, we believe that our corporate propriety must extend to do those who are not connected with the Company in any way.

**Three**, our engagement in corporate social responsibility projects is aligned with national and regional priorities.

**Four**, we have extended beyond mere 'cheque-writing' to a deeper engagement with the objective to make a lasting positive difference.

**Five**, we partner specialised agencies who possess a deeper terrain experience and understanding.

**Six**, we believe in making initial investments where a moderate engagement from our side can translate into disproportionately larger societal impact.

**Seven**, we focus on responsible engagement where we empower beneficiaries to assume control of their lives.

**Eight**, we engage in programmes relevant to grass-root existences

**Nine**, these programmes are based on need-assessment surveys

in relevant locations using various social research methodologies

**Ten**, the Company's engagement is directed by a defined CSR Policy, implemented under the guidance of a CSR Committee and senior management.

**Eleven**, the outcomes of these programmes are periodically tracked.

The Company is focused on various areas (education, health care, malnutrition, skill development, women empowerment, disaster management and environment conservation) with the objective of mitigating poverty, unemployment and environment imbalance.

### CSR expenditure

Items	Spending (₹)
Malnutrition	-
Education & Others	1,500,000
In House Skill development through Steelcast Education Trust	575,000
Women's empowerment	-
Child education	497,000
Health care	1,301,111
Disaster management and others	-
Environmental and ecological balance	650,000
<b>Total</b>	<b>4,523,111</b>

# Board of Directors profile

## Mr. Chetan M. Tamboli

*Chairman and Managing Director*

A third generation entrepreneur, Mr. Chetan M Tamboli is a Commerce graduate armed with an MBA from USA. He has been serving as a CEO since 2003 with total experience of more than 35 years. He is on the Board of many Private and Public Limited Companies and also was –

- Chairman Board of Governors, Government Engineering College, Bhavnagar, Gujarat
- Chairman, CII Western Regional Council for the year 2014-15.
- Chairman, CII CSR Committee Western Region, year 2009-10.
- Chairman, CII Gujarat State years, 2006-07 & 2007-08
- Chairman, CII Western Gujarat, year, 2005-06.

He has been appointed as Chairman of the Institute Management Committee of ITI, Ghogha (Bhavnagar, Gujarat) recently. He looks after strategy, policy making and overall management with special focus on Strategic Management, Finance, General Management, Production, Marketing and Corporate Laws.

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## Mr. Rajendra V Gandhi

*Non- Executive Independent Director*

Mr. Rajendra V Gandhi is a graduate from Indian Institute of Technology, Bombay. He is the promoter of GRP Ltd, which is today India's largest manufacturer of reclaim rubber and amongst the top three in the world. He is Managing Director of GRP Ltd. He is also on the Board of many Private Limited Companies.

Further he-

- is recipient of prestigious K.M. Philip Gold Medal in 2013 from AIRIA for his contribution to growth of rubber industry in India.
- is recipient of prestigious international award from CompuWorld Honors Award for his initiative in use of Technology for Economic, Environmental and Social Sustainability.
- is the past President of Indian Rubber Manufacturers Research Association (IRMRA).
- has been honored with the honorary membership of All India Rubber Industries Association (AIRIA).
- is also one of the founding members of the Indian reclaim rubber manufacturer's association (IRRMA) and had been a member of the advisory panel to the International Rubber Study Group (IRSG).

He is having expertise in accounting, strategy planning, business administration and management.

He is also connected with several educational institutions in Gujarat and Maharashtra.

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## Mr. Apurva R Shah

*Non- Executive Independent Director*

Mr. Apurva R Shah is a Chartered Accountant, a Cost and Works Accountant and a Post Graduate in International Accounting and Finance from the London School of Economics and Political Science. He has been a practicing professional for more than 25 years. He is Managing Partner of Rajendra & Co., a firm of Chartered Accountants based in Mumbai.

His areas of expertise include Audit, Income Tax, consulting to Family Owned Businesses and Charities as well as Corporate Restructuring.

## Mr. Hemantbhai D Dholakia

*Non- Executive Independent Director*

Mr. Hemantbhai D Dholakia has completed his master's degree in Business Administration (Marketing and Finance) from University of Scranton, USA. He joined family owned business in 1987 which has been manufacturing & marketing various Oral & Health care, Hygiene products being supplied in domestic and foreign market. He is Managing Director at Goran Pharma Pvt. Ltd. He is on the Board of many Private and Public Limited Companies.

He has long experience as entrepreneur in manufacturing industries and has a strong hand on brand building in India and overseas.

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## Mr. Rushil C Tamboli

*Non- Executive Non-Independent Director*

Mr. Rushil C Tamboli is an Engineering graduate with Industrial Engineering (I.E.) from Pennsylvania State University, USA. He was a Whole Time Director of the Company and associated with company since August, 2011 till March, 2022. He was heading various departments and contributed to improve fuel efficiency of heat treatment operations, developing new parts, achieving improvement in Man hours per ton etc. As a Non-Executive Non-Independent Director, he represents Promoter's family on the Board.

He is having advanced knowledge in Industrial Engineering, Marketing, Quality Control, Human Resources, Production Management and General Management.

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## Ms. Vidhi C Tamboli

*Non- Executive Non-Independent Director*

Ms. Vidhi C Tamboli is a Master of Arts & Master of Education (Psychology) from Columbia University, USA. She was a Whole Time Director of the Company and headed Human Resource department of the Company. She is having experience as career counselor in India and overseas. She has experience of over six years as Psychological and Career Counselor in various Organisations in India and abroad. As a Non- Executive Non-Independent Director, she represents Promoter's family on the Board.

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## Mr. Kumar Tipirneni

*Permanent Invitee*

Mr. Kumar Tipirneni is a B.Tech.from IIT, Kharagpur and an M.E. (Foundry Engg) from IISc, Bengaluru. He has been a Permanent Invitee to the Board and all its Committees since September 2018, with a total experience of more than 50 years in this Company. He Served as Executive Chairman of the Company from January 2009 to August 2011 and before that as Executive Vice Chairman. He also served as CFO during 2015-2016. He is also a Permanent Invitee to the Board and all its Committees at Veljan Denison Limited. He was on the Boards of several Private and Public Limited Companies.

He was a Fellow of the Institute of Cast Metals Engineers, UK. He was Chairman of Steel Castings Sectional Committee of Bureau of Indian Standards, New Delhi, for 27 years.

## STEELCAST LIMITED

CIN: L27310GJ1972PLC002033

Registered Office: Ruvapari Road, Bhavnagar, Gujarat 364 005.

Phone: 0278-2519062, Email: info@steelcast.net, Website: www.steelcast.net

### Notice of 51<sup>st</sup> Annual General Meeting

NOTICE is hereby given that the 51<sup>st</sup> Annual General Meeting (AGM) of the Members of **STEELCAST LIMITED** (the "Company") will be held at 16:00 Hours on Thursday the 4<sup>th</sup> August, 2022, at Efcce Sarovar Portico – Sarovar Hotels, Iscon Mega City, Opp. Victoria Park, Bhavnagar, Gujarat 364002, to transact the following business:

#### Ordinary Business:

1. To receive, consider, approve and adopt the Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2022 and the Report of the Board of Directors' and Auditors' thereon.
2. To confirm the payment of Interim Dividend on Equity Shares and to declare a Final Dividend on Equity Shares for the year ended 31<sup>st</sup> March, 2022.
3. To appoint a Director in place of Mr. Rushil C Tamboli, as Non-Executive Non-Independent Director having Director Identification Number 07807971, who retires by rotation and being eligible, offers himself for re-appointment.

#### Special Business:

4. **Appointment of Mrs. Aarushi Manoj Ganatra (DIN: 01527566) as Non-Executive Independent Director:**

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

"**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualifications of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and pursuant to the recommendation of the Nomination and Remuneration Committee and Board of Directors, Mrs. Aarushi Manoj Ganatra (DIN: 01527566), who was appointed as the additional director of the company with effect from 18<sup>th</sup> May, 2022 and who hold office as such up to the date of this annual general meeting and who has submitted a declaration confirming the criteria of Independence under Section 149(6)

of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for appointment under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations, be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for a period of 5 (Five) consecutive years on the Board of the Company for a term effective from 18<sup>th</sup> May, 2022 up to 17<sup>th</sup> May, 2027 and she shall not be liable to retire by rotation.

"**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized 'Committee' thereof) be and is hereby authorized to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

5. **Ratification of Remuneration to Cost Auditor:**

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 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, a remuneration of INR 80,000/- (Rupees Eighty Thousand only) plus Goods & Service Tax (GST) as applicable and reimbursement of actual travel and out-of-pocket expenses, for the Financial Year commencing on 1<sup>st</sup> April, 2022 and ending on 31<sup>st</sup> March, 2023, as fixed by the Audit Committee and approved by the Board of Directors of the Company, to be paid to M/s. S K Rajani & Co., Cost Accountants (FRN: 101113), for the conduct of the Cost Audit of the Company's Steelcastings products (CETA Heading 73259920, 73259999, 73259930 and 84879000), be and is hereby ratified and confirmed."

By Order of the Board of Directors  
For **STEELCAST LIMITED**

**Chetan M Tamboli**

Place: Bhavnagar Chairman & Managing Director  
Date: 18<sup>th</sup> May, 2022 DIN:00028421

**NOTES:**

1. The relevant Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013, in respect of the special business is annexed hereto.
2. A statement giving the relevant details of the Directors seeking re-appointment is annexed hereto.
3. In compliance with the MCA General Circular No. 2/2022 dated 5th May, 2022 and SEBI CIRCULAR No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice calling AGM along with the explanatory statement and Annual Report 2021-22 are available on the website of the Company at [www.steelcast.net](http://www.steelcast.net) and on the websites of both National Stock Exchange of India Ltd. (NSE) and BSE Limited (BSE), and on the website of National Securities Depository Limited (NSDL) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com) (the Authorised agency for providing voting through electronic means). Company's web-link on the above will also be provided in advertisement being published in newspapers.
4. **A member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote instead of himself/herself and the Proxy need not be a member of the Company. The proxy form duly completed and signed should be lodged with the Company at its Registered Office at least 48 hours before the time of the AGM.**
5. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten 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 a proxy and such person shall not act as proxy for any other person or shareholder.
6. Corporate Members, Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) ("Body Corporates") are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorisation etc., authorising its representative to attend and vote at the AGM pursuant to Section 113 of the Companies Act, 2013. The said Resolution/Authorization shall be accompanied by the specimen signatures of the person(s) so authorised duly verified by the authoriser. These documents may be sent to Scrutiniser's registered e-mail address at [dgbhimani@yahoo.co.in](mailto:dgbhimani@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
7. Members are requested to bring their Attendance Slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
8. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.
9. All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the AGM and other statutory registers shall be available for inspection by the Members at the Registered Office of the Company during office hours on all working days between 10.00 a.m. to 5.00 p.m. from the date of hereof up to the date of the AGM.
10. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 28th July, 2022 to 4th August, 2022 (both days inclusive) for the purpose of 51st AGM.
11. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with our RTA **M/s. Bigshare Services Pvt. Ltd (BSPL)**, A-802 Samudra Complex, Off CG Road, Nr. Girish Cold Drinks, Navrangpura, Ahmedabad, Gujarat - 380009 in case the shares are held by them in physical form.
12. Pursuant to Section 124 & Section 125 of the Companies Act, 2013 which came in to effect on 7th September, 2016 (corresponding to the provisions of Section 205A (5) and 205C of the Companies Act, 1956), members are requested to note that, dividends if not claimed 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](http://www.iepf.gov.in).
13. 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. For the prescribed rates for various categories the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update

their PAN with the Company/ RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). 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 ss@steelcast.net by 11:59 p.m. IST on 4th August, 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%. Prescribed form No. 15G/15H can be downloaded from the website of the Company.

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 ss@steelcast.net. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on 4th August, 2022.

14. Members holding shares in physical form are requested to promptly notify in writing any changes in their address, contact details and bank account details to BSPL or the Company at Ruvapari Road, Bhavnagar 364 005. Members holding shares in electronic form are requested to notify the changes in the above particulars, if any, directly to their Depository Participants (DP).
15. Equity shares of the Company are under compulsory demat trading by all investors. Considering the advantage of scripless trading, members are encouraged to consider dematerialization of their shareholding so as to avoid inconvenience in future.
16. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant ('DP') and holdings should be verified from time to time.
17. The Route Map of the venue of the AGM is given at the end of this Notice.
18. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company on or before 2nd August, 2022 through email on cs@steelcast.net. The same will be replied by the Company suitably.
19. Members may please note that SEBI has made PAN as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions.

Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases:

- a. Deletion of name of the deceased shareholder(s);
  - b. Transmission of shares to the legal heir(s); and
  - c. Transposition of shares.
20. It is brought to the notice of the members that Securities & Exchange Board of India (SEBI) vide its circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated Nov 03, 2021 has notified simplified norms for processing investors service request by RTA and mandatory furnishing of PAN, KYC details and Nomination by holders of physical securities. Kindly note that it has been made mandatory for shareholders holding physical shares to furnish PAN, KYC details and Nomination details to the Company or its RTA. In the event the above details are not received by 31st March, 2023, concerned shares shall be frozen by RTA.

In view of the above, all shareholders holding shares in physical form are requested to furnish/update their valid PAN (PAN linked to Aadhar) with the RTA at the earliest. Further, shareholders holding shares in Demat form are also requested to furnish/update their KYC details, Nomination details, Bank account particulars, specimen signature and contact details to/with their respective DP in case the same is not done yet.

The prescribed forms to be furnished by the members are available on the website of the Company at [www.steelcast.net](http://www.steelcast.net)

21. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. In the event a member casts his votes through both the processes, the votes in the electronic system would be considered and the ballot vote would be ignored.

## 22. INSTRUCTIONS FOR E-VOTING ARE AS FOLLOWS:

### A. Instructions for Members for remote Voting through Electronic means are as under:

- i) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the Listing Regulations, as amended from time to time, the Members are provided with the facility of casting votes using

either remote e-voting system or voting at the venue on the date of the AGM through services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

- ii) **The remote e-voting period begins on 1st August, 2022 at 09.00 a.m. and ends on 3rd August, 2022 at 5.00 p.m.** During this period, the shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., 26th July, 2022 may cast their vote electronically. **The remote e-voting module shall be disabled by NSDL for voting thereafter.**
- iii) Mr. Dinesh G Bhimani of D G Bhimani & Associates, Practicing Company Secretaries, Membership No. F8064 and having his address at 207, Nathwani Chambers, Sardar Gunj, Anand-388001, Gujarat, has been appointed as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
- iv) The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM but shall not be entitled to cast their vote again.
- v) The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- vi) Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- vii) The Scrutiniser shall immediately after the conclusion of voting at the meeting, first count the votes cast at the meeting,

thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than two (2) days of conclusion of the meeting, a consolidated Scrutiniser's Report of the total votes cast in favor or against, if any, to the Chairman of the Company who shall countersign the same and declare the result of the voting forthwith.

- viii) The Results shall be declared after the receipt of the Scrutiniser's Report from conclusion of the AGM of the Company. The Results declared along with the Scrutiniser's Report shall be placed on the Company's website [www.steelcast.net](http://www.steelcast.net) and on the website of NSDL immediately. The results shall also be immediately forwarded to the Stock Exchanges.
- ix) To ensure correct identity of the members for the smooth conduct of the Annual General Meeting, each Member and Proxy Holder attending the meeting is expected to bring with him/her an appropriate photo ID document like a Driving License, Passport, and Voter ID Card.
- x) The details of the process and manner for voting electronically *through NSDL e-Voting system consists of "Two Steps"* as explained herein below:

#### **Step 1: Access to NSDL e-Voting system**

##### **Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the <b>“Beneficial Owner”</b> icon under “Login” which is available under <b>“IDeAS”</b> section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>“Register Online for IDeAS”</b> Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>4. Shareholders/members can also download NSDL Mobile App ‘NSDL Speede’ either from App Store or from Google Play for seamless voting experience.</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider- NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

## Step 2: Cast your vote electronically on NSDL e-Voting system.

### How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status..
2. Select “EVEN” of company which is **120156** for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [dgghimani@yahoo.co.in](mailto:dgghimani@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on “Upload Board Resolution/Authority Letter” displayed under “e-voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to **Ms. Sarita Mote, Asst. Manager** at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders, whose email ids are not registered with the depositories, for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [cs@steelcast.net](mailto:cs@steelcast.net).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [cs@steelcast.net](mailto:cs@steelcast.net). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**By Order of the Board of Directors  
For STEELCAST LIMITED**

**Chetan M Tamboli**

Chairman & Managing Director  
DIN:00028421

Place: Bhavnagar  
Date: 18th May, 2022

## EXPLANATORY STATEMENT

(Pursuant to section 102(2) of the Companies Act, 2013)

### ITEM NO. 3 OF THE NOTICE

Details of Directors seeking appointment at forthcoming AGM:

(In pursuance of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015)

<b>Name of the Director</b>	Mr. Rushil C Tamboli (DIN No. 07807971)
<b>Date of Birth</b>	14.06.1989
<b>Nationality</b>	Indian
<b>Date of Appointment on Board</b>	02.11.2017
<b>Qualification</b>	B.E. (IE)
<b>Experience</b>	Working since August, 2011 in Steelcast Limited in various capacities like 6 Sigma project for improving fuel efficiency of Heat Treatment operations, headed Heat Treatment Section and Shell Moulding Foundry. He was instrumental in developing new parts, achieving improvement in Man Hour Per Ton etc. He was Whole Time Director in the Steelcast Limited prior to his present position of Non-Executive Non-Independent Director.
<b>Shareholding</b>	NIL
<b>Terms and conditions of appointment along with details of remuneration</b>	-
<b>Remuneration last drawn (during FY 2021-22)</b>	INR 1,848,000/- during his tenure as a Whole Time Director.
<b>No. of Meetings of the Board attended during the year</b>	Attended all five Board meetings held during the Financial Year 2021-22.
<b>Designated Partner/Directorship of other Firms/Companies</b>	NIL
<b>Membership/Chairmanship of Committees of other Companies</b>	NIL

Mr. Rushil C Tamboli is son of Mr. Chetan M Tamboli and brother of Ms. Vidhi C Tamboli

### ITEM NO. 4 OF THE NOTICE

Item No. 4 of Special Business: Mrs. Aarushi Manoj Ganatra (DIN: 01527566), aged 63 years, is Commerce Graduate from Gujarat University and has been associated with the profession of Chartered Accountants for last more than three decades.

Having worked for more than three decades at various levels in the field of audit, she is at present, working with M/s. Sanghavi & Co., Chartered Accountants, Bhavnagar as a Senior Manager (Audit & Assurance). Statutory audits, internal audits and human resource training are key areas of her expertise. She also heads a consultancy firm, Intellect Consultants which provides professional services in the field of business, finance and investment.

Besides the professional achievements, she is an active social worker. She is associated with many charitable organisations. She is Hon. Secretary of Smt. R.D. Gardi Bhavnagar Stree Kelavani Mandal, a premier institute

in the City of Bhavnagar working for the education and upliftment of women. She is also an artist in the area of painting and being 'Upantya Visharad' in Sitar, have participated in various classical and sugam music concerts. She is also on the panel of All India Radio and Door Darshan, Rajkot and occasionally performs on various social issues including national documentary on TV Channels.

With her excellent communication skills, she manages specialized audit assignments and audits of banks and public sector undertakings. She has a rich experience in the arena of various banking operations including international banking.

As per the recommendation of the Nomination and Remuneration Committee, the Board at their meeting held on 18th May, 2022, has appointed Mrs. Aarushi Manoj Ganatra, as Additional Director in the capacity of Independent Director to hold office up to ensuing AGM.

Based on skills, rich experience and knowledge of Mrs. Aarushi Manoj Ganatra, Nomination and Remuneration Committee recommended her appointment as an Independent Director of the Company, for a period of 5 (Five) years w.e.f. 18th May, 2022. Further, Mrs. Aarushi Manoj Ganatra shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. The Company has received a declaration from Mrs. Aarushi Manoj Ganatra, being eligible for appointment as Independent Director. Mrs. Aarushi Manoj Ganatra has also provided her consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time. The Company has also received a declaration from Mrs. Aarushi Manoj Ganatra confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under the Regulation 16(b) of the Listing Regulations, as amended from time to time. Mrs. Aarushi Manoj Ganatra is not disqualified from being appointed as Director in terms of Section

164 of the Companies Act, 2013, as amended from time to time. In the opinion of the Board, she fulfills the conditions specified in the Companies Act, 2013 and is independent of the management.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

The Board considers that her appointment would provide immense benefit to the Company and it is desirable to avail her services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for appointment of Mrs. Aarushi Manoj Ganatra as an Independent Director of the Company. Except Mrs. Aarushi Manoj Ganatra, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

Details of Directors seeking appointment at forthcoming AGM:

(In pursuance of Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015)

<b>Name of the Director</b>	Mrs. Aarushi Manoj Ganatra (DIN: 01527566)
<b>Date of Birth</b>	29.09.1958
<b>Nationality</b>	Indian
<b>Date of Appointment on Board</b>	18.05.2022
<b>Qualification</b>	B. Com.
<b>Experience</b>	More than 30 years
<b>Shareholding</b>	NIL
<b>Terms and conditions of appointment along with details of remuneration</b>	Independent Director for five years w.e.f. 18th May, 2022 with sitting fees as applicable to other non-executive directors for attending meeting(s) of the Board of Directors and its Committees.
<b>Remuneration last drawn (during FY 2021-22)</b>	NIL
<b>No. of Meetings of the Board attended during the year</b>	NIL
<b>Designated Partner/Directorship of other Firms/Companies</b>	1. Intellect Consultants 2. KITT Innovations Private Limited
<b>Membership/Chairmanship of Committees of other Companies</b>	NIL

Mrs. Aarushi Manoj Ganatra is not related to any of the Directors of the Company.

No Director, Key Managerial personnel or their relatives, except Mrs. Aarushi Manoj Ganatra (DIN: 01527566), to whom the resolution relates, is interested or concerned in the resolution.

## ITEM NO. 5 OF THE NOTICE

Pursuant to provisions of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual/firm of cost accountant(s) in practice on the recommendations of the Audit Committee, which shall also recommend remuneration for such Cost Auditor. The remuneration recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of the Audit Committee at its meeting held on 18th May, 2022, the Board has considered and approved appointment of M/s S K Rajani & Co., Cost Accountants having FRN.101113, for the conduct of the Cost Audit of the Company's Steelcastings products (CETA Heading 7325 and 8487) at a remuneration of INR 80,000/- plus Goods & Service Tax (GST) as applicable and reimbursement of actual

travel and out-of-pocket expenses for the Financial Year ending on 31st March, 2023. The Board recommends the resolution set out at Item No. 5 of the Notice for the approval and ratification by the members in terms of Section 148 of the Companies Act, 2013, as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the passing of the Resolutions set out at Item No. 5.

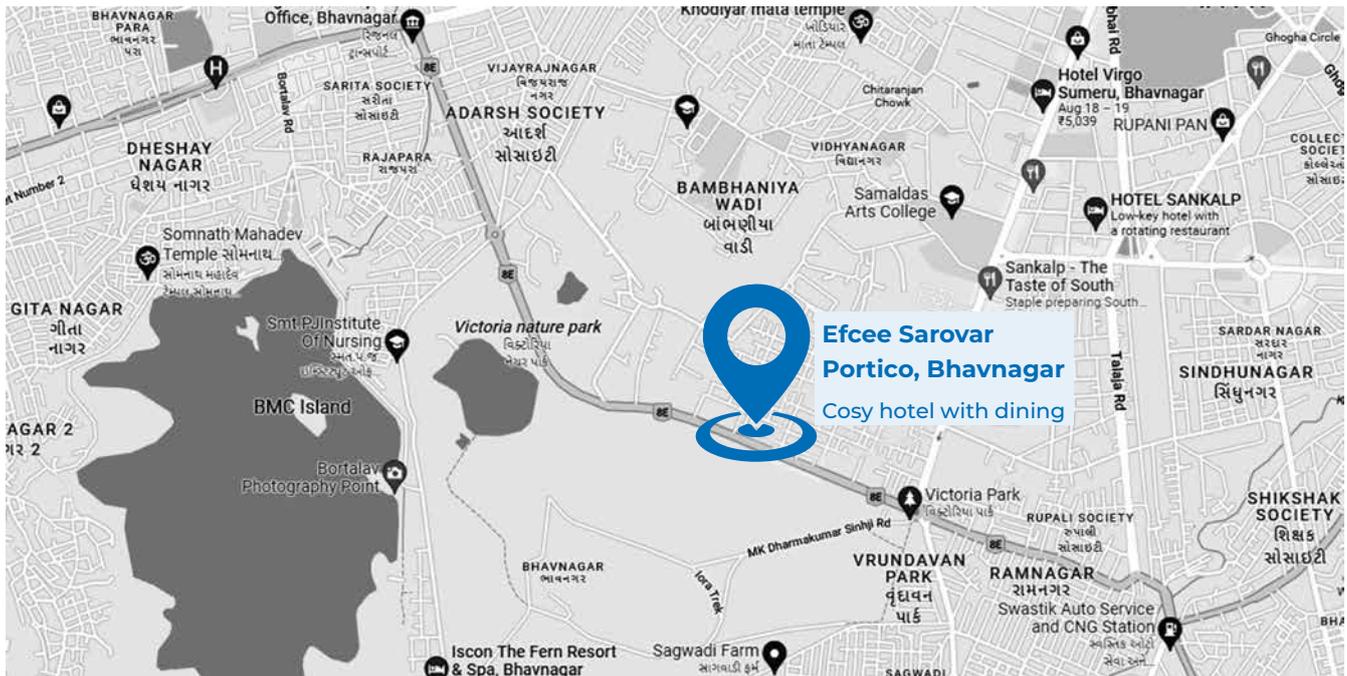
By Order of the Board of Directors  
For **STEELCAST LIMITED**

**Chetan M Tamboli**

Place: Bhavnagar Chairman & Managing Director  
Date: 18th May, 2022 DIN:00028421

## ROUTE MAP

TO THE VENUE OF 51<sup>ST</sup> AGM OF STEELCAST LIMITED TO BE HELD ON THURSDAY THE 4<sup>th</sup> AUGUST, 2022



# BOARD'S REPORT

*Dear members*

The Directors of your Company are pleased to present the **51st Annual Report** together with the Audited Financial Statement for the Financial Year ended on 31st March, 2022.

## 1. FINANCIAL RESULTS:

		(INR in Lacs)	
Sr. No.	Particulars	2021-22	2020-21
1	Sales	30,204.02	15,772.98
2	Other Income	31.55	149.02
<b>3</b>	<b>Total Income</b>	<b>30,235.57</b>	<b>15,922.00</b>
4	Profit Before Depreciation & Tax (PBDT)	6,244.55	2,946.25
5	Less: Depreciation	1,771.59	1,381.85
6	Profit Before Taxation (PBT)	4,472.96	1,564.40
7	Less: Taxation (all Taxes)	1,145.78	362.28
8	Profit After Taxation (PAT)	3,327.19	1,202.12
9	Other comprehensive income	(2.66)	7.37
10	Add: Balance brought forward from last year	3,873.49	2,937.24
11	Amount Available for Appropriation	7,198.02	4,146.73
	<b>Appropriations:</b>		
	(a) Interim Dividend	273.24	-
	(b) Proposed Final Dividend	364.32	273.24
	(c) General Reserve	-	-
	(d) Balance to be carried forward	6,560.46	3,873.49

**2. STATE OF COMPANY'S AFFAIRS:** The Company has earned revenue from operation of INR 30,204.02 Lacs during the year ended on 31st March, 2022 as against INR 15,772.98 Lacs earned during the previous year ended on 31st March, 2021, giving a significant rise of more than 91% as compared to previous year. The Company has also earned other income of INR 31.55 Lacs during the year under review as against INR 149.02 Lacs earned during the previous year.

The Company earned Profit Before Tax (PBT) of 14.81 % of sales during the year ended on 31st March, 2022 against 9.92 % of previous year ended on 31st March, 2021.

The Company earned Profit After Tax (PAT) of 11.00% of sales during the year ended on 31st March, 2022 against 7.67 % of previous year ended on 31st March, 2021.

After adding the surplus in the Statement of Profit & Loss of INR 4,146.73 Lacs brought forward from the previous year and payment of approved Dividends during the year therefrom, and further adding total profit of INR 3,324.53 Lacs for the year under review to the same, the total amount of INR 6,924.78 Lacs profit is available for appropriation.

There are no material changes and commitment occurred during the period which affects the financial position of the company.

Further, there are no change in the nature of business of the company.

**3. DIVIDEND:** In addition to the Interim Dividend @ 27% (i.e. INR 1.35 per share) declared in October, 2021, the Board of Directors of your Company are pleased to recommend a final dividend @ 36% (i.e. INR 1.80 per share) on fully paid up equity shares of

INR 5/- each for the financial year ended 31st March, 2022, subject to approval of the shareholders at the ensuing AGM. The total Dividend declared during the Financial Year 2021-22 would be 63%.

**Transfer to reserves:** The closing balance of the retained earnings of the Company for F.Y. 2021-22, after all appropriation and adjustments was INR 6,560.46 Lacs.

**4. LISTING ON NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE):** Pursuant to the application by the Company for listing of its Equity Shares (which are already listed on BSE LIMITED), on National Stock Exchange of India Limited (NSE) main listing board, NSE has granted the listing and trading approval on 18th November, 2021. Consequently, the Equity Shares of the Company have been listed and traded on NSE effective from 23rd November, 2021 with the Designated Symbol "STEELCAS".

**5. LONG TERM DEBT FREE:** During the year under review, the Company has become long-term debt free as it has repaid all its term loans totaling to 22 Crores in FY22. Moreover, the Company has managed to incur a CAPEX to the tune of INR 29 Crores without any additional Term Loan.

**6. COVID-19:** The impact of Covid has been largely disruptive in terms of economic activity as well as loss of human lives. With most sectors adversely affected, the economy witnessed a contraction of 7.3% during 2020-21. Both the Central and State Governments came out with a series of responses to protect lives and livelihoods, improve healthcare facilities, ramp up vaccinations, and undertake measures for social protection. Economic reform packages were also announced to quickly bring the economy back to the growth path. As a result, we have seen a substantial improvement in GDP growth in 2021-22.

Major period of 1st quarter of the year was under restrictions due to second wave of COVID-19. Recovery of business started in 2nd quarter onwards and the order book started building up thereafter. Due to this reason, we could achieve a much better result both in top and bottom line.

The performance of the company is expected to further improve with stabilized economic situation in India and across the globe. We expect this trend to continue at least in foreseeable future. Hence, the Company does not see any medium to long term risks in the company's ability to continue as a going concern and in meeting its liabilities as and when they fall due.

**7. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EARNINGS AND OUTGO:** The Information relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed to this Report as an **Annexure-A** and forms part of this Report.

**8. SEGMENT REPORTING:** The Company is engaged in the Castings business only and therefore there is only one reportable segment in accordance with the Indian Accounting Standard (Ind AS) 108 Operating Segments.

**9. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:** There is no company or Institution which became or ceased to be Subsidiary, Joint venture or Associate Company during the reporting period.

**10. CORPORATE SOCIAL RESPONSIBILITY (CSR):** Company has formulated Policy on CSR in accordance with Schedule VII of the Companies Act, 2013 and the details of the composition of the Committee are covered in the Corporate Governance Report. Your Company spent the whole amount of obligation INR 45.23 Lacs as per the CSR Rules towards CSR activities during the year. Report on CSR activities is annexed hereto as **Annexure-B** and forms part of this Report. The Board has approved Policy on CSR which has been uploaded on the Company's website at [www.steelcat.net](http://www.steelcat.net).

**11. QUALITY:** Your Company has continued emphasis on Research & Development. A dedicated Quality Assurance ("QA") team is monitoring product quality. Your Company strives to be industry leader by adopting modern technology.

**12. INSURANCE:** All assets of the Company, including Building, Plant & Machinery, Stocks etc., wherever necessary and to the extent required, have been adequately insured.

**13. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**13.1 CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

During the period of this report, Mr. Rushil C Tamboli, who was appointed as Whole Time Director with effect from 2nd November, 2017 for a period of 5 (Five) years, resigned from Whole Time Directorship and consented to continue as Non-Executive Non-Independent Director with effect from 1st April, 2022.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Rules made thereunder, Mr. Rushil C Tamboli, shall retire by rotation at this AGM and being eligible, offers himself for reappointment. The Members are requested to consider his re-appointment.

Mrs. Aarushi Manoj Ganatra, has been appointed as Additional Director in the capacity of Independent Director w.e.f. 18th May, 2022 to hold office up to ensuing AGM. Nomination and Remuneration Committee has recommended her appointment as Independent Director of the Company for a period of five years and she shall not be liable to retire by rotation. Necessary resolutions relating to Directors who are seeking appointment/reappointment are included in the Notice of AGM. The relevant details of the said Directors are given in the Notes/Annexures to the Notice of the AGM.

**13.2 COMPLIANCE ON CRITERIA OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS:** All Independent Directors of the Company have given declarations to the Company under Section 149 (7) of the Act that they meet the criteria of independence as provided in Sub-Section 6 of Section 149 of the Act and also under the Listing Regulations.

**13.3 FORMAL ANNUAL EVALUATION:** The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Act and the Listing Regulations.

Further, the Independent Directors, at their exclusive meeting held 27th January, 2022 during the year reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the Listing Regulations.

**13.4 NOMINATION AND REMUNERATION POLICY:** The Company has an approved Nomination & Remuneration policy the details of which are covered under Corporate Governance Report and the said policy is also available on company's website at [www.steelcast.net](http://www.steelcast.net).

**13.5 MEETINGS:** During the year 5 Board Meetings and 4 Audit Committee Meetings were held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**13.6 FORMAL UPDATION PROGRAMME FOR INDEPENDENT DIRECTORS:** The Company conducts familiarization and updation programs for independent directors on need basis. The said programs are conducted by knowledgeable persons from time to time.

**13.7 COMMITTEES OF THE DIRECTORS:** The details of various committees of Directors constituted under various provisions of Companies Act, 2013 and Rules made thereunder, their constitution, terms of reference and other details are provided in the Corporate Governance Report.

Compositions of Board of Directors and various Committees of Directors are available on the Company's website at [www.steelcast.net](http://www.steelcast.net).

**14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:** Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, are given in the notes to the Financial Statements.

**15. RELATED PARTY TRANSACTIONS:** All the contracts or arrangements or transactions were at arm's length basis. Transactions with related parties, as per requirements of Accounting Standard 18 are disclosed in the notes to accounts annexed to the financial statements.

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure-C** in the prescribed Form – AOC-2 and the same forms part of this report. All related party transactions or any omnibus approval as permitted under the law as required are placed before the Audit Committee and Board of the Company for review and approval. Transactions with related parties, as per requirements of Indian Accounting Standard (Ind AS) 24 are disclosed in the notes to accounts annexed to the Financial Statements. Your Company's duly approved Policy on Related Party Transactions is available on the Company's website at [www.steelcast.net](http://www.steelcast.net).

**16. PARTICULARS OF EMPLOYEES:** The Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed with this report as **Annexure-D**.

The Statement of particulars of employees under Section 197(12) read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is not provided herewith as during the financial year under review, no employee of the Company including Managing Director was in receipt of remuneration in excess of the limits set out in the said rules.

**17. HUMAN RESOURCES:** Your Company believes that employees are one of its most valuable assets. During the year under review, the Company organized various training programs for people at various levels to enhance their knowledge and skills. As on 31st March, 2022, total employees strength at

STEELCAST is 887 under direct employment. The employees are deeply committed to the growth of the Company.

**18. VIGIL MECHANISM/WHISTLEBLOWER POLICY:**

The Company has formulated a Whistleblower Policy in conformity with the provisions of Section 177(9) of the Companies Act, 2013 and Listing Regulations to provide a mechanism for any concerned person of the company to approach the Ethics Counselor/Chairman of the Audit Committee of the Company for the purpose of dealing with any instance of fraud or mismanagement, and also ensure that whistleblowers are protected from retribution, whether from within or outside the organization. The details of the Whistle Blower Policy are given in the Corporate Governance Report and also available on the Company's website at [www.steelcast.net](http://www.steelcast.net).

**19. EXTRACT OF ANNUAL RETURN:** Pursuant to the provisions of section 92(3) of the Companies Act, 2013, an extract of annual return is annexed hereto as **Annexure-E** and forms part of this report. The same is available on the Company's website at [www.steelcast.net](http://www.steelcast.net).

**20. SECRETARIAL AUDITORS:** Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. D.G. Bhimani & Associates, Company Secretaries, (CP: 6628) Anand, Gujarat have been appointed as the Secretarial Auditor to conduct the Secretarial Audit of the Company for the Financial Year 2021-22, the Secretarial Audit Report for the Financial Year 2021-22 is annexed herewith as **Annexure-F** and forms part of this report.

The observations made in the Auditor's Report are self-explanatory and, therefore, do not call for any further comments under Section 134(3) (f) of the Companies Act, 2013.

**21. CORPORATE GOVERNANCE REPORT AND CERTIFICATE:**

Your Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by SEBI. As required under Regulation 34(3) read with Schedule V (C) of the Listing Regulations a Corporate Governance report and the certificate as required under Schedule V (E) of the Listing Regulations from Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance are given in **Annexure-G** and **Annexure-H** respectively, forming part of this report.

**22. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:** Management Discussion and Analysis Report for the year under review, as stipulated under Listing Regulation, is annexed herewith as **Annexure-I** and forms part of this report.

**23. COST AUDITORS:** In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, have appointed M/s. S K Rajani & Co. Cost Accountants, Bhavnagar as Cost Auditor of the Company, for the Financial Year 2022-23 on a remuneration as mentioned in the Notice of AGM for conducting the audit of the cost records maintained by the Company.

A Certificate from M/s. S K Rajani & Co. Cost Accountants has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder. A resolution seeking Member's ratification for the remuneration payable to Cost Auditor forms part of the Notice of the AGM of the Company and same is recommended for your consideration and approval.

The Cost Audit report for the financial year ended 31st March, 2021 were filed on 8th September, 2021, which was within the time limit as prescribed in Companies (Cost Records and Audit) Rules, 2014 as amended.

**24. STATUTORY AUDITORS:** M/s. SSM & Co., Chartered Accountants, Statutory Auditors of the Company, having firm registration number 129198W, were appointed as Statutory Auditors at AGM pertaining to the FY 2019-20, held on 14th August, 2020 for five consecutive years starting 2020-21 to 2024-25. As required under Listing Regulation, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The appointment of Statutory Auditors was made for five consecutive years until the conclusion of 5th AGM to be held for the financial year 2024-25.

M/s. S. S. M & Co, Chartered Accountants, having Firm Registration Number 129198W have given consent to act as Statutory Auditors of the Company confirming that their appointment, if made, would be in accordance with the provision of section 139 and 140 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 and Listing Regulation,



The observations made in the Auditor's Report are self-explanatory and, therefore, do not call for any further comments under Section 134(3) (f) of the Companies Act, 2013.

- 25. INTERNAL FINANCIAL CONTROLS:** The Company has in place adequate internal financial controls with reference to financial statements. The Company has adopted an Internal Financial Control Framework Policy and Procedure document to ensure orderly and efficient conduct of the business, accuracy and completeness of the accounting records and timely preparation of financial reports. The policy & procedure framework is supported by an ERP system. The ERP system used by the company developed in-house is conforming to Accounting Standards and Financial Control Requirements. The ERP system of the company is updated as and when changes are necessary.
- 26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY ANY REGULATOR OR COURT:** During the year under review, there were no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations..
- 27. CHANGE IN THE NATURE OF BUSINESS:** During the year under review, there was no change in the nature of business of the Company and there is no material change and/or commitments, affecting the financial position of the Company, during the period from 31st March, 2022 till the date of this report.
- 28. DIRECTORS' RESPONSIBILITY STATEMENT:** To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) and 134 (5) of the Companies Act, 2013, that:
- in the preparation of the annual financial statements for the year ended 31st March, 2022, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if applicable;
  - for the Financial Year ended 31st March, 2022, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit and Loss of the Company for that period;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
  - the Annual Financial Statements have been prepared on a going concern basis;
  - proper internal financial controls are in place and such internal financial controls are adequate and were operating effectively;
  - proper systems have been devised to ensure compliance with the provisions of all applicable laws and are adequate and operating effectively.
- 29. RISK MANAGEMENT:** The Company has been addressing various risks impacting the Company and details of the same are provided elsewhere in this Annual Report in Management Discussion and Analysis. The Company has voluntarily framed risk management policy and the same has been approved by the Audit Committee and the Board of Directors and is available on the Company website [www.steelcast.net](http://www.steelcast.net).
- 30. SEXUAL HARASSMENT POLICY:** Your Company has zero tolerance towards sexual harassment at the workplace and has adopted a **Policy on Sexual Harassment** in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The said policy can be accessed on the Company's website at [www.steelcast.net](http://www.steelcast.net).
- 31. MATERIAL CHANGES AND COMMITMENTS IF ANY:** There are no material changes or commitments which have occurred between the end of the financial year and the date of this report which affect the financial position of the Company.
- 32. DEPOSITS:** The Company has not accepted/renewed any deposits during the year.
- 33. COMPLIANCE OF SECRETARIAL STANDARD:** Your Company has complied with all Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and approved by Central Government from time to time.
- 34. AUDIT COMMITTEE:** Composition of Audit Committee and details of number of audit committee meetings held during the financial year 2021-22 are enclosed herewith at **Annexure-G** under Corporate Governance Report. The Board has accepted all the recommendations and suggestions received from Audit committee.

### 35. CHANGE IN REGISTRAR & SHARE TRANSFER

**AGENT:** The Company has, with the approval of the Board, appointed M/s. Bigshare Services Private Limited ("BSPL") as its Registrar and Share Transfer Agent (RTA) of the Company in place of M/s. MCS Share Transfer Agent Limited ("MCSSTAL") w.e.f. 1st October, 2021.

**36. ACKNOWLEDGEMENTS:** Yours Directors take this opportunity to express their sincere appreciation for the excellent support and co-operation extended by the shareholders, customers, suppliers, bankers and other business associates. Your Directors gratefully acknowledge the on-going co-operation and support provided by the Central and State

governments and all Regulatory Authorities. Your Directors also place on record their deep sense of appreciation to all employees for their dedicated services rendered at various levels.

**By Order of the Board of Directors  
For STEELCAST LIMITED**

**Chetan M Tamboli**

Chairman & Managing Director

DIN:00028421

Place: Bhavnagar

Date: 18th May, 2022

## ANNEXURE-A TO THE BOARD'S REPORT

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014,

### (A) ENERGY CONSERVATION

#### (i) The steps taken or impact on conservation of energy:

- ◆ As a part of energy conservation, driving pulley of shot blasting modified to increase the efficiency of shot blasting machining.
- ◆ To prevent heat loss and maintain temperature uniformity of Heat treatment furnace, refurbishment has been done.
- ◆ Reduction in fuel consumption in thermal reclamation unit by reducing cold end time

#### (ii) The steps taken by company for utilizing alternate sources of energy:

The company has been evaluating to set up renewable power plant during the year and has entered into an agreement to purchase power from wind solar hybrid power project to be set up in Gujarat region in captive consumption mode of hybrid capacity 4.5 MW. The agreement is for long term for 25 years and the company is the equity member in Special Purchase Vehicle (SPV) created for the said project. The expected savings to the company from this project will be to the tune of INR 7.00 Crore per annum.

#### (iii) The capital investment on energy conservation equipment:

The Company has made capital investments amounting to INR 446.00 Lakhs during financial year 2021-22 on the energy conservation equipments.

Sr. No.	Description of Equipment	Investment (INR Lakhs)
1	Energy Efficient Bogie Hearth for Austenising & Tempering Heat Treatment Furnace	375.00
2	Energy Efficient, Rotary Screw type Air Compressor	47.00
3	Add on investment for Energy efficient Dual Track Induction Furnace 1Ton	20.00
4	Other add-on Investment on Mixer & tempering furnace	4.00
<b>Total</b>		<b>446.00</b>

### (B) TECHNOLOGY ABSORPTION

#### Research and Development (R & D)

- 1) The efforts made towards technology absorption:
  - a) Use of ceramic whirl gate to trap inclusion & slag during pouring.
  - b) Development of special additive to enhance collapsibility of PUNB Sand mix.
  - c) Comparative study on role of chilling properties of coarser grade silica sand to prevent core sintering in heavy section casting.
  - d) Development of Neck Down (ND) Exothermic sleeve for better feeding and yield improvement.
  - e) Development of appropriate welding technique for salvaging of complex casting having poor approach of welding.
- 2) The benefits derived like product improvement, cost reduction, product development or import substitution:

The company has in place well developed program of Continuous Improvement Plan (CIP): We have systematic and well-structured system of Continuous Improvement Plan for cost reduction in areas like, product, process, material and other area without affecting quality of product.

- a) Product Development: During the year as a part of product development, cost reduction has been done in areas of yield improvement, reduction in sand to metal ratio and chemistry optimization.
- b) Process Development: During the year as a part of process development, cost reduction has been done in areas such as binder reduction, optimization of heat treatment cycle, machining cycle time.
- c) Materials Development: During the year as a part of material development, cost reduction has been done in areas like, alternate material of import substitution, replacement of special sand and alternate source etc.
- d) Continuous Improvement in area other than manufacturing like, commercial, administrative area and waste reduction etc.

Benefits derived as a result of the above efforts have resulted in a saving of INR 79.14 lakhs during the year 2021-22.

Sr. No.	Description of Equipment	Cost Savings (INR Lakhs)
1	Product Development	27.21
2	Process Development	5.62
3	Materials Development	21.79
4	Continuous Improvement in areas other than manufacturing	24.52
<b>5</b>	<b>Total</b>	<b>79.14</b>

- 3) In case of imported technology (Imported during the last 3 years reckoned from the beginning of the year)
- The details of technology imported : Nil
  - The Year of import : Not Applicable
  - Whether technology is fully absorbed : Not Applicable
  - If not fully absorbed, areas where absorption has not taken place, reason thereof : Not applicable
- 4) The expenditure incurred on Research and Development (INR Lakhs)
- Capital : 81.74
  - Recurring : 209.36

c) Total : **291.10**

d) Total R & D expenditure as a percentage of total turnovers: 0.96 %.

### (C) FOREIGN EARNINGS & OUTGO

Sr. No.	Total Foreign Exchange Used/ Earned	(INR Lakhs)
1	<b>Foreign Exchange Outgo</b>	<b>836.40</b>
	<b>a. Value of Imports</b>	
	i. Capital Goods	399.18
	ii. Raw Materials	234.02
	iii. Spare Parts	
	<b>b. Expenditure:</b>	
	i. Professional and Consultancy Fee	84.19
	ii. Commission Expenses	108.22
	<b>c. Others</b>	
	i. Dividend	10.80
2	<b>Foreign Exchange Earned</b>	
	i. Export of Goods & Services	<b>15,554.35</b>

By Order of the Board of Directors  
For **STEELCAST LIMITED**

**Chetan M Tamboli**

Place: Bhavnagar  
Date: 18th May, 2022

Chairman & Managing Director  
DIN:00028421

## ANNEXURE-B TO THE BOARD'S REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

**1. Brief outline on CSR Policy of the Company:**

Company is contributing towards promoting quality of education, health, improvement in living standard and upliftment of communities comprising weaker section in nearby areas.

**2. The Composition of the CSR Committee:**

Name of the Director	Category	Position in the Committee
Mr. Chetan M Tamboli	Executive Director	Chairman
Mr. Rajendra V Gandhi	Independent Director	Member
Mr. Rushil C Tamboli	Non-Executive Non-Independent Director	Member
Ms. Vidhi C Tamboli	Non-Executive Non-Independent Director	Member

**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:**

The Company has framed a CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013 and the same is placed on the website of the Company and the web link for the same is <https://www.steelcast.net/pdf/csr.pdf>.

Further, the composition of CSR committee and CSR projects approved by the Board are available on the web link [https://www.steelcast.net/pdf/CSR\\_Statement.pdf](https://www.steelcast.net/pdf/CSR_Statement.pdf)

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable : **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:

Sr. No.	Financial Year	Amount available for set-off from preceding financial years	Amount available for set-off for the financial year, if any
1	2021-22	Not Applicable	Not Applicable

**6. Average net profit of the Company as per Section 135(5): INR 2257.90 Lakhs**

INR in Lakhs

Particulars	2018-19	2019-20	2020-21
Net Profit	3,505.66	1,703.66	1,564.40

7. (a) Two percent of average net profit of the Company as per section 135(5):- **INR 45.16 Lakhs**
- (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) :- **INR 45.16 Lakhs**

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

Total Amount Spent for the Financial Year (INR in Lakhs)	Amount Unspent (In INR)				
	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
45.23	NA	NA	NA	NA	NA

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

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

1	2	3	4	5		6	7	8	
				State	District			Name	CSR Registration Number
Sr. 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 INR)	Mode of Implementation Direct (Yes/ No)	Mode of Implementation through Implementing agency	
1	Donation to Shree Prathna Health and Education Trust	Promoting Health & Education	Yes	Gujarat	Bhavnagar	300,000	No	Shree Prathna Health and Education Trust	CSR00010354
2	Donation to Sneha Foundation	Promoting Health, Education and Environment	Yes	Gujarat	Bhavnagar	30,000	No	Sneha Foundation	CSR00005363
3	Donation to Rotary Club (Society) of Bhavnagar	Promoting Health	Yes	Gujarat	Bhavnagar	111,111	No	Rotary Club (Society) of Bhavnagar	CSR00006976
4	Donation to Yuva Unstoppable	Promoting Health	No	Gujarat	Ahmedabad	500,000	No	Yuva Unstoppable	CSR00000473
5	Donation to Rotary Club (Society) of Bhavnagar	Promoting Health	Yes	Gujarat	Bhavnagar	100,000	No	Rotary Club (Society) of Bhavnagar	CSR00006976
6	Donation to Mukhya Shikshak Shala No.13	Promoting Education	Yes	Gujarat	Bhavnagar	106,500	Yes	NA	NA
7	Donation to Mukhya Shikshak Shala No.13	Promoting Education	Yes	Gujarat	Bhavnagar	67,500	Yes	NA	NA
8	Donation to Mukhya Shikshak Shala No.13	Promoting Education	Yes	Gujarat	Bhavnagar	88,000	Yes	NA	NA
9	Donation to The National Indian Association	Promoting Education	No	Gujarat	Ahmedabad	50,000	No	The National Indian Association	CSR00005990
10	Donation to Ishwar Prathana Samaj	Promoting Health	No	Gujarat	Ahmedabad	50,000	No	Ishwar Prathana Samaj	CSR00005989
11	Donation to Ravishankar Memorial Dispensary	Promoting Health	No	Gujarat	Ahmedabad	50,000	Yes	NA	NA
12	Donation to Sneha Foundation	Promoting Health, Education and Environment	Yes	Gujarat	Bhavnagar	30,000	No	Sneha Foundation	CSR00005363
13	Donation to Shri F P Tamboli Charitable Trust	Promoting Education	Yes	Gujarat	Bhavnagar	800,000	No	Shri F P Tamboli Charitable Trust	CSR00010558
14	Donation to Shree Prathna Health and Education Trust	Promoting Health & Education	Yes	Gujarat	Bhavnagar	100000	No	Shree Prathna Health and Education Trust	CSR00010354

1	2	3	4	5		6	7	8	
Sr. 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 INR)	Mode of Implementation Direct (Yes/ No)	Mode of Implementation through Implementing agency	
				State	District			Name	CSR Registration Number
15	Donation to Shri Bhavnagar Panjarapole	Promoting Health	Yes	Gujarat	Bhavnagar	90,000	No	Shri Bhavnagar Panjarapole	CSR00021903
16	Donation for renovation of Gorad Cremation Ground	Promoting Environmental and Ecological balance	Yes	Gujarat	Bhavnagar	50,000	Yes	NA	NA
17	Donation for renovation of Gorad Cremation Ground	Promoting Environmental and Ecological balance	Yes	Gujarat	Bhavnagar	50,000	Yes	NA	NA
18	Donation to Mukhya Shikshak Shala No.13	Promoting Education	Yes	Gujarat	Bhavnagar	125,000	Yes	NA	NA
19	Donation to Shri F P Tamboli Charitable Trust	Promoting Education	Yes	Gujarat	Bhavnagar	700,000	No	Shri F P Tamboli Charitable Trust	CSR00010558
20	Donation to Steelcast Education Trust	Promoting In House Skill Development	Yes	Gujarat	Bhavnagar	575,000	No	Steelcast Education Trust	CSR00007321
21	Donation for renovation of Moksh Mandir Cremation Ground	Promoting Environmental and Ecological balance	Yes	Gujarat	Bhavnagar	500,000	No	Moksh Mandir	CSR00023970
22	Donation for renovation of Gorad Cremation Ground	Promoting Environmental and Ecological balance	Yes	Gujarat	Bhavnagar	50,000	Yes	NA	NA
	<b>Total</b>					<b>4,523,111</b>			

(d) Amount spent in Administrative Overheads : **Not Applicable**

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : **INR 45.23 Lakhs**

(g) **Excess amount for set off, if any:** INR 0.07 Lakhs

Sr. No.	Particulars	Amount (INR in Lakhs)
(i)	Two percent of average net profit of the company as per Section 135(5)	45.16
(ii)	Total amount spent for the financial year	45.23
(iii)	Excess amount spent for the financial year[(ii)-(i)]	0.07
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial year, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.07

9. (a) **Details of Unspent CSR Amount for the preceding three financial years:** NIL

(b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial years(s):** NA



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

11. Specify the reason(s), if the Company has failed to spend two percent of the net profit as per Section 135(5): Not Applicable

12. Related Party Transactions (RPT):

Details of related party transaction in relation to CSR expenditure	Amount (INR in Lakhs)
Shri F. P. Tamboli Charitable Trust	15.00
Steelcast Education Trust	5.75

For STEELCAST LIMITED

**Rajendra V Gandhi**  
MEMBER OF CSR COMMITTEE  
DIN: 00189197

Place: Bhavnagar  
Date: 18th May, 2022

For STEELCAST LIMITED

**Chetan M Tamboli**  
CHAIRMAN OF CSR COMMITTEE  
DIN: 00028421

## ANNEXURE-C TO THE BOARD'S REPORT

### Form No. AOC – 1

(Pursuant to clause (h) of sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Not Applicable as Company neither have any Subsidiary Company nor have any Associate Company**

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

#### 1. Details of contracts or arrangements or transactions not at arm's length basis

Sr. No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	All the contracts or arrangements or transactions were at arm's length basis. Transactions with related parties, as per requirements of Accounting Standard 18 are disclosed in the notes to accounts annexed to the financial statements.
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any:	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

#### 2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. No	Particulars	Details
(a)	Name(s) of the related party	There were no material contracts or arrangement or transactions. Transactions with related parties, as per requirements of Accounting Standard 18 are disclosed in the notes to accounts annexed to the financial statements.
(b)	Nature of relationship	
(c)	Nature of contracts/arrangements/ transactions	
(d)	Duration of the contracts / arrangements/transactions	
(e)	Salient terms of the contracts or arrangements or transactions including the value, if any:	
(f)	Date(s) of approval by the Board, if any:	
(g)	Amount paid as advances, if any:	

**By Order of the Board of Directors  
For STEELCAST LIMITED**

**Chetan M Tamboli**

Chairman & Managing Director  
DIN:00028421

Place: Bhavnagar  
Date: 18th May, 2022

## ANNEXURE-D TO THE BOARD'S REPORT

### PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Name of the Managing Directors, Chief Financial Officer and Company Secretary	Ratio to median remuneration of the employees	% increase in remuneration in the financial year	Comparison of the Remuneration of the KMP against the performance of the Company.
Mr. Chetan M Tamboli (Chairman and Managing Director)	1:9.54	5.69%	<b>% Increase from FY 2020-21 to FY 2021-22:</b> Total Income: 89.90% Profit After Tax : 174.87 % Remuneration of Employees: 8.74% The remuneration of the KMP is fixed keeping in view the performance of the Company as aforesaid and trend of remuneration in industry.
Mr. Rushil C Tamboli (Whole Time Director)	1:4.76	6.63%	
Mr. Subhash R Sharma (Chief Financial Officer)	1:5.55	15.54%	
Mr. Umesh V Bhatt (Company Secretary) (Appointed on 01.09.2021)	1:0.99	-	
Mr. Mahesh L Purohit (Company Secretary) (Resigned on 14.11.2021)	1:0.66	-	

The Company does not pay any remuneration to the Non-Executive Directors except sitting fees for attending Board and Committee Meetings.

- b. The percentage increase in the median remuneration of employees in the financial year: 8.74 %.
- c. The number of permanent employees on the rolls of Company: 887.
- d. The explanation on the relationship between average increase in remuneration and Company performance: On an average, employees received an annual increase of 8.74%. The individual increments varied from 1.5% to 19.23%, based on individual performance. In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.
- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

During the year under review, the average annual increase was around 8.74% on account of promotions and other event based compensation revisions. Increase in the managerial remuneration (excluding Chairman and Managing Director and Whole Time Director) for the year was 0.44%. The difference arises from the different market situations for two categories.

The key parameters for any variable component of remuneration in case of Managing Director of the Company is linked with the Company's performance. In case of other key managerial personnel(s), the same is linked with Company's performance and individual performance.

- f. **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: Not applicable.**
- g. **Affirmation:** The Company affirms that the remuneration of the Managing Director and the employees of the Company are as per the remuneration policy of the Company.
- h. The Statement of particulars of employees under Section 197(12) read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is not provided with as during the financial year under review, no employee of the Company including Managing Director was in receipt of remuneration in excess of the limits set out in the said rules.

By Order of the Board of Directors  
For **STEELCAST LIMITED**

**Chetan M Tamboli**

Chairman & Managing Director  
DIN:00028421

Place: Bhavnagar  
Date: 18th May, 2022

# ANNEXURE-E TO THE BOARD'S REPORT

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2022

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### FORM NO. MGT - 9

#### I. REGISTRATION AND OTHER DETAILS:

i	CIN:	L27310GJ1972PLC002033
ii	Registration Date	11th February, 1972
iii	Name of the Company	STEECAST LIMITED
iv	Category / Sub-Category of the Company	Public Limited listed Company having Share Capital
v	Address of the Registered office and contact details	Ruvapari Road, Bhavnagar 364 005. Ph. No.: (91) (278) 2519062 Fax No.: (91) (278) 2420589 E-mail: cs@steelcast.net Website: www.steelcast.net
vi	Whether listed company Yes / No	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Bigshare Services Pvt. Ltd. A-802, Samudra Complex, Off CG Road, Navrangpura, Ahmedabad, Gujarat - 380009 Ph. No.: 079-40392571 Fax No.: 079-30070678 E- Email: bssahd@bigshareonline.com

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the company
1	Steelcasting	273	100

#### III. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	NA	NA	NA	NA	NA

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

### i) Category-wise Share Holding:

Category of Shareholder	No. of Shares held at the beginning of the year [01.04.2021]				No. of Shares held at the end of the year [31.03.2022]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	53,85,340	-	5,385,340	26.60	57,84,946	-	57,84,946	28.58	1.98
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	35,39,200	-	35,39,200	17.49	35,39,200	-	35,39,200	17.49	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):</b>	<b>89,24,540</b>	<b>-</b>	<b>89,24,540</b>	<b>44.09</b>	<b>93,24,146</b>	<b>-</b>	<b>93,24,146</b>	<b>46.07</b>	<b>1.98</b>
<b>(2) Foreign</b>									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>89,24,540</b>	<b>-</b>	<b>89,24,540</b>	<b>44.09</b>	<b>93,24,146</b>	<b>-</b>	<b>93,24,146</b>	<b>46.07</b>	<b>1.98</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Portfolio Investors	3,500	400	3,900	0.02	3,500	-	3,500	0.02	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):</b>	<b>3,500</b>	<b>400</b>	<b>3,900</b>	<b>0.02</b>	<b>3,500</b>	<b>-</b>	<b>3,500</b>	<b>0.02</b>	<b>-</b>
<b>2. Central Govt / State Govt(s) / POI</b>									
<b>i) Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>3. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	15,83,581	11,200	15,94,781	7.88	13,77,985	12,400	13,90,385	6.87	(1.01)
ii) Overseas	-	4,00,000	4,00,000	1.98	-	4,00,000	4,00,000	1.98	-
iii) IEPF	2,79,944	-	2,79,944	1.38	2,76,744	-	2,76,744	1.37	(0.01)
iv) Clearing Member	-	-	-	-	16,508	-	16,508	0.08	0.08

Category of Shareholder	No. of Shares held at the beginning of the year [01.04.2021]				No. of Shares held at the end of the year [31.03.2022]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>b) Individuals</b>									
iii) Individual									
shareholders holding nominal share capital upto INR 2 lakh	34,15,079	1,68,704	35,83,783	17.71	34,77,661	1,92,854	36,70,515	18.13	0.42
iv) Individual									
shareholders									
Holding nominal share capital in excess of INR 2 lakh	32,80,360	-	32,80,360	16.21	31,65,483	-	31,65,483	15.64	(0.56)
<b>c) Others (specify)</b>									
i) NRI	17,32,192	28,400	17,60,592	8.69	16,24,323	-	16,24,323	8.03	(0.66)
ii) HUF	4,10,700	400	4,11,100	2.03	3,68,396	-	3,68,396	1.82	(0.21)
ii) Trust	1,000	-	1,000	0.01	-	-	-	-	(0.01)
<b>Sub-total (B)(2):</b>	<b>1,07,02,856</b>	<b>6,08,704</b>	<b>1,13,11,560</b>	<b>55.89</b>	<b>1,03,07,100</b>	<b>6,05,254</b>	<b>1,09,12,354</b>	<b>53.91</b>	<b>(1.98)</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1,07,06,356</b>	<b>6,09,104</b>	<b>1,13,15,460</b>	<b>55.91</b>	<b>1,03,10,600</b>	<b>6,05,254</b>	<b>1,09,15,854</b>	<b>53.93</b>	<b>(1.98)</b>
<b>C. Shares held by Custodian for GDR &amp; ADR I</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total(A+B+C)</b>	<b>1,96,30,896</b>	<b>6,09,104</b>	<b>2,02,40,000</b>	<b>100.00</b>	<b>1,96,34,746</b>	<b>6,05,254</b>	<b>2,02,40,000</b>	<b>100.00</b>	<b>-</b>

## ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [01.04.2021]			Shareholding at the end of the year [31.03.2022]			% change in share holding during the year
		Demat	Physical	% of Total Shares	Demat	Physical	% of Total Shares	
1	Mr. Chetan M Tamboli	33,19,420	Nil	16.4	35,19,420	Nil	17.39	0.99
2	M/s. Rushil Industries Ltd	15,76,000	Nil	7.78	15,76,000	Nil	7.78	-
3	M/s. Tamboli Trading LLP (Earlier M/s. Tamboli Investment Pvt Ltd)	19,63,200	Nil	9.70	19,63,200	Nil	9.70	-
4	Mrs. Manali C Tamboli	12,29,480	Nil	6.07	14,29,086	Nil	7.06	0.99
5	Chetan M Tamboli (HUF)	8,35,320	Nil	4.13	8,35,320	Nil	4.13	-
6	Mrs.Hansa M Tamboli	1,120	Nil	0.005	1,120	Nil	0.005	-
	<b>TOTAL</b>	<b>89,24,540</b>		<b>44.09</b>	<b>93,24,146</b>	<b>46.07</b>	<b>46.07</b>	<b>1.98</b>

## iii) Change in Promoters' Shareholding:

Sr. No.	Particulars	Shareholding at the beginning of the year [01.04.2021]		Cumulative Shareholding during the year [01.04.2021 to 31.03.2022]	
		No. of share	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	89,24,540	44.09	89,24,540	44.09
2	Increase in Shareholding during the year on	-	-	3,99,606	1.98
	a) Purchased on 28.06.2021				
<b>3</b>	<b>At the end of the year</b>	<b>89,24,540</b>	<b>44.09</b>	<b>93,24,146</b>	<b>46.07</b>

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDINR and ADINR):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [01.04.2021]		Cumulative Shareholding during the year [01.04.2021 to 31.03.2022]	
		No. of Share	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>Mr. Gautam B Doshi</b>				
	At the beginning of the year	7,89,568	3.90	7,89,568	3.90
	Increase/ (Decrease) in Shareholding during the year	-	-	(1,593)	(0.01)
	At the end of the year			7,87,975	3.89
<b>2.</b>	<b>M/s Meenakshi Mercantiles Ltd</b>				
	At the beginning of the year	4,39,500	2.17	4,39,500	2.17
	Increase/ (Decrease) in Shareholding during the year	-	-	40,500	0.20
	At the end of the year			4,80,000	2.37
<b>3.</b>	<b>M/s. Kurimoto Limited</b>				
	At the beginning of the year	4,00,000	1.98	4,00,000	1.98
	Increase/ (Decrease) in Shareholding during the year	-	-	-	-
	At the end of the year			4,00,000	1.98
<b>4.</b>	<b>Mr. Miten Mehta</b>				
	At the beginning of the year	4,00,000	1.98	4,00,000	1.98
	Increase/ (Decrease) in Shareholding during the year	-	-	-	-
	At the end of the year			4,00,000	1.98
<b>5.</b>	<b>Mr. Nrupesh C. Shah</b>				
	At the beginning of the year	4,06,000	2.00	4,06,000	2.00
	Increase/ (Decrease) in Shareholding during the year	-	-	(28,917)	(0.14)
	At the end of the year			3,77,083	1.86
<b>6.</b>	<b>Investor Education &amp; Protection Fund Authority (Ministry of Corporate Affairs)</b>				
	At the beginning of the year	2,79,944	1.38	2,79,944	1.38
	Increase/ (Decrease) in Shareholding during the year	-	-	(3,200)	(0.02)
	At the end of the year			2,76,744	1.36
<b>7.</b>	<b>Mr. Rajiv B. Doshi</b>				
	At the beginning of the year	2,99,359	1.48	2,99,359	1.48
	Increase/ (Decrease) in Shareholding during the year	-	-	(24,776)	(0.12)
	At the end of the year			2,74,583	1.36

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [01.04.2021]		Cumulative Shareholding during the year [01.04.2021 to 31.03.2022]	
		No. of Share	% of total shares of the company	No. of shares	% of total shares of the company
<b>8.</b>	<b>Mr. Bhagwandas Trikamdas Doshi</b>				
	At the beginning of the year	2,08,767	1.03	2,08,767	1.03
	Increase/ (Decrease) in Shareholding during the year	-	-	10,000	0.05
	At the end of the year			2,18,767	1.08
<b>9.</b>	<b>Ranjit Dongre (HUF)</b>				
	At the beginning of the year	1,65,000	0.81	1,65,000	0.81
	Increase/ (Decrease) in Shareholding during the year	-	-	-	-
	At the end of the year			1,65,000	0.81
<b>10.</b>	<b>Mr. Vibha Abhay Doshi</b>				
	At the beginning of the year	1,58,646	0.78	1,58,646	0.78
	Increase/ (Decrease) in Shareholding during the year	-	-	(3,950)	(0.02)
	At the end of the year			1,54,696	0.76

**v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Mr. Chetan M Tamboli (Chairman &amp; Managing Director)</b>				
	At the beginning of the year	33,19,420	16.40	33,19,420	16.40
	Increase/ (Decrease) in Shareholding during the year			2,00,000	0.99
	At the end of the year			35,19,420	17.39
<b>2</b>	<b>Mr. Rajendra V Gandhi (Director)</b>				
	At the beginning of the years	2,884	0.02	2,884	0.02
	Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	2,884	0.02	2,884	0.02
<b>3</b>	<b>Mr. Apurva R Shah (Director)</b>				
	At the beginning of the year	-	-	-	-
	Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>4</b>	<b>Mr. Hemantbhai D Dholakia (Director)</b>				
	At the beginning of the year	1,000	0.001	1,000	0.001
	Decrease in Shareholding during the year			-	-
	At the end of the year			1,000	0.001

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	<b>Ms. Vidhi C Tamboli (Director)</b>				
	At the beginning of the year	-	-	-	-
	Increase in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
6	<b>Mr. Rushil C Tamboli (Director)</b>				
	At the beginning of the year	-	-	-	-
	Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
7	<b>Mr. Subhash R. Sharma (Chief Financial Officer)</b>				
	At the beginning of the year	-	-	-	-
	Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
8	<b>Mr. Umesh V Bhatt (Company Secretary)</b>				
	At the beginning of the year	-	-	-	-
	Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-

#### V. INDEBTEDNESS: Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amount in INR Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the Beginning of the Financial Year</b>				
i) Principal Amount	1,811.02	-	-	1,811.02
ii) Interest due but not paid	5.92	-	-	5.92
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1,816.94</b>	-	-	<b>1,816.94</b>
<b>Change in Indebtedness during the Financial Year</b>				
Addition	-	-	-	-
Reduction	1,816.94	-	-	1,816.94
<b>Net Change</b>	<b>(1,816.94)</b>	-	-	<b>(1,816.94)</b>
<b>Indebtedness at the end of the Financial Year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**Note:** The Company has become Long Term Debt free as at 31st March, 2022.

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in INR Lakhs)

Sr. No.	Particulars	Mr. Chetan M. Tamboli (Chairman & Managing Director)	Mr. Rushil C. Tamboli (Whole Time Director)	Total Amount
1	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	223.66*	65.91*	289.57
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.73	-	2.73
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-
2	<b>Stock Option</b>	-	-	-
3	<b>Sweat Equity</b>	-	-	-
4	<b>Commission</b> - as % of profit - Others, specify...	3.95%	1.00%	4.95%
5	<b>Others: Contribution to PF</b>	-	-	-
	<b>Total (A)</b>	<b>226.39</b>	<b>65.91</b>	<b>292.30</b>
	<b>Ceiling as per the Companies Act, 2013</b>	INR 474.35 Lakhs, being 10% of Net Profit of the Company calculated as per section 198 of the Companies Act, 2013.		

\*Includes Commission payable.

### B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Independent Directors			Non-Executive Non-Independent Director	Total Amount in INR
		Name			Name	
		Mr. Rajendra V Gandhi	Mr. Apurva R Shah	Mr. Hemantbhai D Dholakia	Ms. Vidhi C Tamboli	
1	- Fee for attending board/ Committee meetings	2,90,000	3,20,000	2,40,000	1,50,000	10,00,000
2	- Commission	-	-	-	-	-
3	- Others, please specify	-	-	-	-	-
	<b>Total Amount in INR</b>	<b>2,90,000</b>	<b>3,20,000</b>	<b>2,40,000</b>	<b>1,50,000</b>	<b>10,00,000</b>

## VII. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(INR in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr. Mahesh Purohit, Company Secretary	Mr. Umesh V Bhatt, Company Secretary	Mr. Subhash Sharma, Chief Financial Officer	
1	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2.52	3.80	21.82	28.14
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2	<b>Stock Option</b>	-	-	-	-

(INR in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr. Mahesh Purohit, Company Secretary	Mr. Umesh V Bhatt, Company Secretary	Mr. Subhash Sharma, Chief Financial Officer	
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - Others, specify...	-	-	-	-
5	Others: Contribution to PF	-	-	-	-
	<b>Total (A)</b>	<b>2.52</b>	<b>3.80</b>	<b>21.82</b>	<b>28.14</b>

### VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment					
Compounding					

By Order of the Board of Directors  
For **STEELCAST LIMITED**

**Chetan M Tamboli**

Chairman & Managing Director  
DIN:00028421

Place: Bhavnagar  
Date: 18th May, 2022

# ANNEXURE-F TO THE BOARD'S REPORT

Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

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

To,  
The Members,  
STEELCAST LIMITED  
Bhavnagar.

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by STEELCAST LIMITED (hereinafter called the company). Secretarial Audit was conducted in accordance with the Guidance Notes issued by the Institute of Company Secretaries of India and 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, 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 the other records maintained by STEELCAST LIMITED 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 thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – **As informed to us, there were no FDI transaction in the Company during the year under review.**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act'):-
  - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India ( Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – Company has appointed SEBI registered Category-I Registrar and Share Transfer Agent.

**We further report that** there were no actions/events in pursuance of the following regulations requiring compliance thereof by the Company during the period of this report:

- (a) The Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) The Securities and Exchange Board of India ( Issue and Listing of Debt Securities ) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

#### (vi) Other Applicable Acts

As informed to us, there are no laws which have specific applicability to the Company other than general laws applicable to the industry generally, namely;

- (a) Factories Act, 1948
- (b) Payment of Wages Act, 1936, and rules made thereunder,
- (c) The Minimum Wages Act, 1948, and rules made thereunder,
- (d) Employees' State Insurance Act, 1948, and rules made thereunder,
- (e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder,
- (f) The Payment of Bonus Act, 1965, and rules made thereunder,
- (g) Payment of Gratuity Act, 1972, and rules made thereunder,
- (h) The Water (Prevention and Control Pollution) Act, 1974.
- (i) The Air (Prevention and Control Pollution) Act, 1981,
- (j) Industrial Dispute Act, 1947,

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the Period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards, etc. mentioned above.

#### We further report that

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.

Adequate notice was given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

**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.

For **D. G. Bhimani & Associates**

**Dineshkumar G. Bhimani**

Company Secretary

C P No.: 6628

Place : Anand

Date : 18th May, 2022

UDIN : F008064D000342717

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

## ANNEXURE A

To,  
The Members,  
STEELCAST LIMITED  
Bhavnagar.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices 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 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 and regulations 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 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.

For **D. G. Bhimani & Associates**

**Dineshkumar G. Bhimani**

Company Secretary

C P No.: 6628

Place : Anand  
Date : 18th May, 2022  
UDIN : F008064D000342717

# ANNEXURE-G TO THE BOARD'S REPORT

## CORPORATE GOVERNANCE REPORT

In terms of Compliance to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") on Corporate Governance, your Company is complying with the Listing Regulations. The report for year ended on 31st March, 2022 is as follows:

**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:** The Company has been adhering to the principles of Corporate Governance since over three decades by conducting its affairs in a transparent manner with regularity, responsibility and accountability.

The Philosophy of the Company on Corporate Governance lies in its concern to protect interests of various stakeholders, fair dealings with all and active contribution to the Society at large, while enhancing the wealth of shareholders. The processes of Company are directed to achieve compliance with the Code of Corporate Governance. Company's own policies and expectations include ethical conduct, protection of health, safety and environment and commitment to employees.

Your Company has complied with all applicable guidelines & regulations as stipulated by the Securities and Exchange Board of India pertaining to the Corporate Governance.

**2. BOARD OF DIRECTORS:** The Company has a balanced Board, comprising 4 Independent Non-Executive Directors including a woman Independent Non-Executive Director, 2 Non-Executive Non-Independent Directors, and 1 Executive Director designated as Managing Director. The composition of the Board is in conformity with the requirement of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Chairman of the Board is an Executive Director (Promoter). The Non-Executive Directors including Independent Directors on the Board are experienced, competent and renowned persons in their respective fields. The Board is headed by the Managing Director.

The Board of Directors at their meeting held on 18th September, 2018 appointed Mr. Kumar Tipirneni as permanent invitee to attend the Board and Committee meetings. Mr. Rushil C Tamboli resigned as a whole Time Director w.e.f. 31st March, 2022. However, he continues on the Board as a Non-executive Non-Independent Director. Mrs. Arushi Manoj Ganatra has been appointed as an Additional Independent director with effect from 18th May, 2022.

### a. Composition/ Category of Directors/ Attendance at Meetings/ Directorships and Committee Memberships in other companies:

Sr. No.	Name of Directors	Category	Number of Board Meetings attended out of Five meetings held in 2021-22	Whether attended last AGM	Number of Directorships and Committee Membership/Chairmanship (including Steelcast Limited)		
					Directorship *	Committee Membership**	Committee Chairmanship**
1	Mr. Rajendra V Gandhi	Independent Director	4	Yes	3	2	1
2	Mr. Apurva R Shah	Independent Director	5	Yes	3	3	2
3	Mr. Rushil C Tamboli	Non Executive Non Independent Director	5	Yes	1	1	-
4	Mr. Hemantbhai D Dholakia	Independent Director	4	Yes	1	2	-
5	Ms. Vidhi C Tamboli	Non Executive Non Independent Director	5	Yes	1	-	-
6	Mr. Chetan M Tamboli	Managing Director (Promoter)	5	Yes	3	2	1

\*This excludes Directorship held in Private & Foreign Companies and Companies incorporated under Section 8 of the Companies Act, 2013.

\*\* Committees include Audit Committee and Stakeholders' Relationship Committee of Public Company.

None of the Directors is a director in more than 20 Companies and more than 10 public limited Companies, in terms of Section 165 of the Companies Act, 2013. Also, none of the Directors is a member of neither more than 10 Committees, nor acts as Chairman of more than 5 Committees across all Companies in which they are Directors, as required under Regulation 26 of the Listing Regulation. The Independent Directors fulfill the requirements stipulated in Regulation 25(1) of the Listing Regulations.

**b. Disclosures pertaining to directors:** The SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 introduced requirement to disclose separately the names of the listed entities, where the persons is a director and the category is of directorship. The details of all directors are as below:

Sr. No.	Name of Director	Name Company in which he/she is director	Type of Directorship
1	Mr. Chetan M Tamboli	1. Steelcast Limited	Managing Director
		2. Vadilal Enterprises Limited	Independent Director
2	Mr. Apurva Rajendra Shah	1. Steelcast Limited	Independent Director
		2. Asian Star Company Limited	Independent Director
		3. Fine-Line Circuits Limited	Independent Director
3	Mr. Rajendra Vadilal Gandhi	1. GRP Limited	Managing Director
		2. Steelcast Limited	Independent Director
4	Mr. Hemantbhai D Dholakia	1. Steelcast Limited	Independent Director
5	Mr. Rushil Chetanbhai Tamboli*	1. Steelcast Limited	Non-Executive Non-Independent Director
6	Ms. Vidhi Chetanbhai Tamboli	1. Steelcast Limited	Non-Executive Non-Independent Director

\* Mr. Rushil C Tamboli has been appointed as Non-Executive Non-Independent Director w.e.f. 1st April, 2022.

#### Skills / expertise / competencies of Directors

As per the Listing Regulations, the Board of Directors of the Company have identified the below mentioned skills/ expertise / competencies in the context of the business and the sector in which the Company is operating, for the Company to function effectively:

Sr. No.	Name of the Director	Expertise in specific functional areas
1	Mr. Chetan M Tamboli	He has more than 36 years of experience in steel casting. He is also Director of many reputed companies. His areas of expertise comprise Strategic Management & Finance, General Management, Production, Marketing and Corporate Laws.
2	Mr. Rajendra V Gandhi	He is having experience in Accounting, strategy planning, business administration and management.
3	Mr. Apurva R Shah	He has experience in Audit, Income Tax, Costing, International accounting & Finance and Commercial Laws.
4	Mr. Hemantbhai D Dholakia	He has long experience as an entrepreneur and brand building in India and overseas.
5	Mr. Rushil C Tamboli	Working since Aug 2011 in Steelcast Limited in various capacities like 6 Sigma project for improving fuel efficiency of Heat Treatment operations, headed Heat Treatment Section and Shell Moulding Foundry. He was instrumental in developing new parts, achieving improvement in Man Hours Per Ton etc. As he was unable to devote full time to the company due to his pre-occupations, he has resigned from his position as Whole Time Director of the Company effective from the close of 31.03.2022. However, he continues to be a Director of the Company in the capacity of Non-Executive Non-Independent Director.
6	Ms. Vidhi C Tamboli	Having experience of over three years as Psychological and Career Counselor in various Organizations in India and abroad.

- c. **No. of Board Meetings held during the Financial Year 2021-22 and dates on which they were held:** The Board held five (5) meetings during the Financial Year 2021-22 through Video Conferencing i.e. on :

Sr. No.	Date of the Meeting	Place
1	28th May, 2021	Bhavnagar
2	9th August, 2021	Bhavnagar
3	29th October, 2021	Bhavnagar
4	27th January, 2022	Bhavnagar
5	25th March, 2022	Bhavnagar

- d. **Relationship between Directors:** Mr. Chetan M Tamboli is father of Mr. Rushil C Tamboli and Ms. Vidhi C Tamboli. No other Director is related to any other Director on the Board.

- e. No of Securities held by each director are given in **Annexure-E** to the Board's Report.

- f. **Independent Directors:** The Independent Directors, who are from diverse fields of expertise and have long standing experience and expert knowledge in their respective fields are very relevant as well as of considerable value for the Company's business. As a part of familiarization programme as required under Listing Regulations, the Directors have been appraised during the Board Meetings about the amendments to the various enactments viz., Companies Act, 2013 (the Act), Listing Regulations, Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information etc.

During the year, a separate meeting of the Independent Directors was held on 27th January, 2022, without the presence of Non-Executive Directors / Managing Director / Management to discuss the matter as required/agreed amongst them.

Further familiarization programmes and the terms & conditions of appointment of the Independent Directors as required under the Companies Act, 2013 & Listing Regulations are updated on the Company's website at [www.steelcast.net](http://www.steelcast.net)

- g. **Formal annual evaluation:** The Board of Directors, Nomination & Remuneration Committee and

Independent Directors have carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Act and the Listing Regulations.

- h. **Function and Procedure of Board:** Board meets regularly to make and review policies. Board's role, functions and responsibility are well defined. All relevant information as required under the Listing Regulation and Companies Act, 2013 as amended from time to time is regularly placed before the Board. Further the Board periodically reviews the compliance reports submitted by the management in respect of all laws applicable to the Company.

3. **AUDIT COMMITTEE:** Your Company has an Audit Committee at the Board level with the powers and role that are in accordance with Listing Regulation and Companies Act, 2013.

- a. **Terms of Reference:** The Audit Committee acts on the terms of reference given by the Board pursuant to Section 177 of the Act and Regulation 18 of the Listing Regulations. The Committee acts as a link between the Management, the Statutory Auditors, the Internal Auditors, the Cost Auditors, Secretarial Auditors and the Board of Directors. The scope of functioning of the Audit Committee is to review, from time to time, the internal control system & procedures and its adequacy. The Committee reviews accounting policies and financial reporting system & procedures of the Company. It ensures that the financial statements are correct, sufficient and credible and also such other functions as may be prescribed from time to time by Regulatory Authorities. The Audit Committee is vested with the necessary powers to achieve its objectives.

- b. **Composition, name of Members & Chairman, Meetings held during the year and attendance at meetings:** The Audit Committee presently consists of three Non-executive Independent Directors. The Audit Committee meets regularly as stipulated in Regulation 18 of the Listing Regulation. The Executive Directors, Internal Auditors and the Statutory Auditors are permanent invitees to the meetings of the Committee. The Secretarial Auditors and Cost Auditor are also invited to attend the Audit Committee Meetings, as and when required.

The details of composition of the Audit Committee, meetings held during the year and attendance of members are as under:

Sr. No.	Name of Directors	Category	Position in the Audit Committee	No. of Meetings attended out of four (4) meetings held during the year 2021-22
1	Mr. Rajendra V Gandhi	Independent Director	Chairman	4
2	Mr. Apurva R Shah	Independent Director	Member (Alternate Chairman)	4
3	Mr. Hemantbhai D Dholakia	Independent Director	Member	3

During the financial year 2021-22, four (4) meetings of the Audit Committee were held through Video Conferencing as per details given below:

Sr. No.	Date of the Meeting	Place
1	28th May, 2021	Bhavnagar
2	9th August, 2021	Bhavnagar
3	29th October, 2021	Bhavnagar
4	27th January, 2022	Bhavnagar

#### 4. NOMINATION AND REMUNERATION COMMITTEE:

**a. Terms of Reference:** The terms of reference and Role of the Nomination and Remuneration Committee are as per the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, which includes devising a policy on Board diversity, identifying persons who are

qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal, determination of qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees and also formulating performance evaluation criteria. The Committee also ensures equity, fairness and consistency. The recommendations of the Nomination and Remuneration Committee are considered and approved by the Board, subject to the approval of Members, wherever necessary.

The policy is framed by the Nomination and Remuneration Committee and approved by the Board, which includes performance evaluation criteria for Independent Directors as disclosed on the website of the Company at [www.steelcast.net](http://www.steelcast.net)

**b. Composition, name of Members & Chairman, Meetings held during the year and attendance at meetings:** The Nomination and Remuneration Committee presently consist of three Non-Executive Independent Directors. The Chairman is an Non-Executive Independent Director.

The details of composition of the Nomination and Remuneration Committee, meetings held during the year and attendance of members are as under:

Sr. No.	Name of the Directors	Category	Position in the Committee	No. of Meetings attended out of Three (3) meetings held during the year 2021-22
1	Mr. Apurva R Shah	Independent Director	Chairman	3
2	Mr. Hemantbhai D Dholakia	Independent Director	Member (Alternate Chairman)	2
3	Mr. Rajendra V Gandhi	Independent Director	Member	3

During the financial year 2021-22, Three (3) meetings of the Nomination and Remuneration Committee were held through Video Conferencing as per details given below:

Sr. No.	Date of the Meeting	Place
1	28th May, 2021	Bhavnagar
2	29th October, 2021	Bhavnagar
3	27th January, 2022	Bhavnagar

**c. Policy for selection and appointment of Directors and their remuneration:**

The Nomination and Remuneration (N&R) Committee has adopted a Policy which, inter alia, deals with the manner of selection of Board of Directors and Key Managerial Personnel (KMP) and their remuneration as under:

**(i) Appointment criteria and qualification:** The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director in terms of Diversity Policy of the Board and recommend to the Board his/her appointment.

A person should possess adequate qualification, expertise and experience for the position he / she is considered for the appointment of KMP (other than Managing / Whole time Director) or Senior Management Personnel. Further, for administrative convenience, the appointment of KMP (other than Managing / Whole time Director) or Senior Management, the Managing Director is authorized to identify and appoint a suitable person for such position. However, if the need be, the Managing Director may consult the Committee / Board for further directions / guidance.

**(ii) Remuneration Policy:** The Company has a standard remuneration policy for the Executive and Non-Executive Directors, which is periodically reviewed by the Nomination and Remuneration Committee as under.

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / Shareholders.

An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Companies Act, 2013 and Listing Regulation, as amended from time to time

- The remuneration / compensation / commission, etc., as the case may be, to the Managing / Whole Time Director will be determined by the Committee and recommended to the Board for approval. Subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and Rules made thereunder.
- Further, the Managing Director of the Company is authorized to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management. The same shall be decided by him based on the standard market practice and prevailing HR policies of the Company
- The Board has approved Nomination and Remuneration Policy which has been uploaded on the Company's website.

**d. Details of Remuneration to all the Directors:** The Details of remuneration/sitting fees paid/payable to the Directors for the financial year 2021-22 are as under:

Name of the Director	Salary, Allowance, Perquisites and other benefits	Performance-linked Income/ Bonus/ Commission Paid or Payable***	Amount in INR Lakhs		
			Stock Option**	Pension	Sitting Fees Paid
<b>Executive Directors</b>					
Mr. Chetan M Tamboli*	39.18	187.21	-	-	-
Mr. Rushil C Tamboli* (Whole Time Director upto 31.03.2022 and Non-Executive Non-Independent Director w.e.f. 01.04.2022)	18.48	47.43	-	-	-
<b>Non-Executive Directors</b>					
Mr. Rajendra V Gandhi	-	-	-	-	2.90
Mr. Apurva R Shah	-	-	-	-	3.20
Mr. Hemantbhai D Dholakia	-	-	-	-	2.40
Ms. Vidhi C Tamboli	-	-	-	-	1.50

No Director is related to any other Director on the Board, except Mr. Chetan M Tamboli who is father of Mr. Rushil C Tamboli and Ms. Vidhi C Tamboli.

- \* Service Contract/Notice Period/Severance Fees are as per Agreement entered with Managing Director and Whole Time Director.
- \*\* The Company is not having stock option scheme therefore the same is not applicable.
- \*\*\* Commission is payable to Managing Director and Whole Time Director only, as per the terms of Contract entered into between by the Company with the Managing Director & Whole Time Director.

e. **Pecuniary Relationship with Non-Executive Directors:** None of the Non-executive Directors has any pecuniary relationship or transactions with the Company except as per requirements of Accounting Standard 18 as disclosed in the notes to accounts annexed to the financial statements.

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE:** The Stakeholders Relationship Committee, looks after, amongst the areas as mentioned in Regulation 20 of the Listing Regulations and Section 178 of the Act for ensuring expeditious redressal of shareholders' and investors' complaints like non-receipt of annual report, Dividend and/or share certificates upon transfer of shares, dematerialization/re-materialization, transfer/transmission, split/consolidation of shares etc.

The details of Composition of the Committee are as under:

Sr. No.	Name of the Directors	Category	Position in the Committee	No. of Meetings attended out of One (1) meeting held during the year 2021-22
1	Mr. Apurva R Shah	Independent Director	Chairman	1
2	Mr. Hemantbhai D Dholakia	Independent Director	Member (Alternate Chairman)	-
3	Mr. Rajendra V Gandhi	Independent Director	Member	1
4	Mr. Chetan M Tamboli	Executive Director	Member	1
5	Mr. Rushil C Tamboli	Non-Executive Non-Independent	Member	1

During the financial year 2021-22, One (1) meeting of the Stakeholders Relationship Committee was held as per details given below:

Sr. No.	Date of the Meeting	Place
1	29th October, 2021	Bhavnagar

The details of investors' complaints received and resolved during the Financial Year 2021-22 are as under:

No. of investors' complaints received during the Year	No. of investors' complaints Resolved during the year	Investors' complaints pending at the end of the year
-	-	-

**6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:** The Corporate Social Responsibility Committee was constituted in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The committee is entrusted with formulating policy and monitoring activities of CSR spendings as per the provisions of the Companies Act, 2013.

The terms of reference and role of the Corporate Social Responsibility Committee are as mentioned in policy formulated in line with schedule VII to the Companies Act, 2013 and Rules made thereunder, same is disclosed on the website of the Company at [www.steelcast.net](http://www.steelcast.net)

The details of composition of the Corporate Social Responsibility Committee, meetings held during the year and attendance of members are as under:

Sr. No.	Name of the Directors	Category	Position in the Committee	No. of Meetings attended out of One (1) meeting held during the year 2021-22
1	Mr. Chetan M Tamboli	Executive Director	Chairman	3
2	Mr. Rajendra V Gandhi	Independent Director	Member (Alternate Chairman)	3
3	Mr. Rushil C Tamboli	Non-Executive Non-Independent Director	Member	3
4	Ms. Vidhi C Tamboli	Non-Executive Non-Independent Director	Member	3

During the financial year 2021-22, three (3) meeting of the Corporate Social Responsibility Committee were held as per details given below:

Sr. No.	Date of the Meeting	Place
1	28th May, 2021	Bhavnagar
2	29th October, 2021	Bhavnagar
3	27th January, 2022	Bhavnagar

**7. RISK MANAGEMENT COMMITTEE:** Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) mandates the formulation of Risk Management Policy for top 1000 listed entities, determined on the basis of market capitalisation, as at the end of the immediate previous financial year. It further mandates the constitution of Risk Management Committee to oversee the compliance with the Risk Management framework in top 1000 listed entities. Though the Company is not presently falling under the criteria of top 1000 listed entities, it was considered appropriate to formulate this policy as a good corporate governance practice. Accordingly, the detailed Risk Management Policy has been formed which is available on the website of the Company at [www.steelcast.net](http://www.steelcast.net). The Risk Management Policy provides for the composition of the Risk Management Committee which is as under:

Sr. No.	Name of Committee Member	Position in the Company	Position in the Committee
1	Shri Chetan M Tamboli	Chairman & Managing Director	Chairman
2	Shri Apurva R Shah	Independent Director	Alternate Chairman
3	Shri Rajendra V Gandhi	Independent Director	Member
4	Shri Hemantbhai D Dholakia	Independent Director	Member
5	Shri Ashutosh H Shukla	Executive Director (Non-Board Member)	Member
6	Shri Subhash R Sharma	Chief Financial Officer	Member

The meeting of the Risk Management Committee is yet to be convened.

**8. SUBSIDIARY COMPANIES:** The requirement of formulating a specific policy on dealing with material subsidiaries doesn't arise as the Company has no Subsidiary as on date.

## 9. GENERAL BODY MEETINGS:

### a. Location and time where last three Annual General Meetings (AGMs) held:

Financial Year	AGM/EGM	Location	Date	Time
2020-21	AGM	Through Video Conference ("VC")/Other Audio Visual Means ("OAVM")	9th August, 2021	1600 Hours
2019-20	AGM	Through Video Conference ("VC")/Other Audio Visual Means ("OAVM")	14th August, 2020	1600 Hours
2018-19	AGM	Efcee Sarovar Portico – Sarovar Hotels, Iscon Mega City, Opp. Victoria Park Bhavnagar, Gujarat	7th August, 2019	1600 Hours

### b. Special Resolutions passed in the previous three AGM:

Financial Year	AGM held on	Special Resolutions passed
2020-21	9th August, 2021	<ol style="list-style-type: none"> <li>Re-appointment of Mr. Chetan M Tamboli as Managing Director and fixation of remuneration.</li> <li>Alteration of Articles of Association of the Company.</li> </ol>
2019-20	14th August, 2020	<ol style="list-style-type: none"> <li>For appointment of Ms. Vidhi C Tamboli as Whole Time Director of the Company.</li> <li>For re-appointment of Mr. Hemantbhai D Dholakia as Non-Executive Independent Director.</li> </ol>
2018-19	7th August, 2019	<ol style="list-style-type: none"> <li>For re-appointment of Mr. Rajendra V Gandhi as Non-Executive Independent Director.</li> <li>For re-appointment of Mr. Apurva R Shah as Non-Executive Independent Director.</li> </ol>

- c. **Passing of Resolution by Postal Ballot:** None of the resolution was passed by way of postal ballot during the financial year ended 31st March, 2022. As on date, the Company does not have any proposal to pass any resolution by way of postal ballot.

## 10. DISCLOSURES:

- a. **Related Party Transactions:** Transactions with related parties, as per requirements of Indian Accounting Standard (Ind AS) 24 are disclosed in the notes to accounts annexed to the financial statements. All the transactions with related parties were in the ordinary course of business and on arm's length basis. In terms of Regulation 23 of Listing Regulations the Company obtains prior approval of the Audit Committee for entering into any transaction with related parties. The Audit Committee granted omnibus approval for certain transactions to be entered into with the related parties during the year. The Statement giving details of all related party transactions entered into pursuant to the omnibus approval so granted is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

Policy on dealing with Related Party Transactions can be viewed in the Company's website at [www.steelcast.net](http://www.steelcast.net)

- b. **Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities or any matter related to capital markets during the last three years:** No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets in the last three years.

- c. **Whistleblower Policy:** The Company has formulated Whistleblower Policy in conformity with the Regulation 22 of the Listing Regulation and Section 177 of the Companies Act, 2013, to provide a mechanism for directors and employees of the company to approach the Ethics Counselor/ Chairman of the Audit Committee of the Company for the purpose of dealing with instance of fraud and mismanagement, if any and also to ensure that whistleblowers are protected from retribution, whether within or outside the organization.

No personnel have been denied access to the Audit Committee, if any, during the year.

The Company's Whistleblower Policy is available on the Company's website at [www.steelcast.net](http://www.steelcast.net).

- d. **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of Listing Regulation:**

- **Mandatory:** During the year, the Company has fully complied with the mandatory requirements as stipulated in Listing Regulations. Further Company has disseminated report on compliance with corporate governance requirements as specified in regulation 17 to 27 and 46(2) on its website at [www.steelcast.net](http://www.steelcast.net) and also submitted with the Stock Exchanges.
- **Non-Mandatory:** The Company has adopted Non- Mandatory requirements as per C and E of Part E of Schedule II to the Listing Regulations and has not adopted Clause A, B and D as they are discretionary requirements.

- e. **Commodity Price Risk and Hedging activities:**

Company is a sizable user of various commodities, including base metals & others, which exposes it to the price risk on account of procurement of commodities. The company has drawn a hedging policy for activities exposed to foreign exchange fluctuations including for imports of goods.

## 11. GENERAL CODE OF CONDUCT:

The Company has formulated and implemented a General Code of Conduct (copy available on Company's website at [www.steelcast.net](http://www.steelcast.net)) for all its Directors and Senior Management of the Company in compliance with Listing Regulation. All the Board Members and Senior Management of the Company have affirmed compliance with the Said Code of Conduct for the financial year ended 31st March, 2022. A declaration by the Chairman and Managing Director affirming compliance with the said Code of Conduct by Board Members and Senior Management is annexed at the end of the Report and forms part of this Report.

## 12. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:

The Board of Directors at their meeting held on 29th March, 2019 has revised policy for code of practices and procedures for fair disclosure of unpublished price sensitive information as per SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and the Rules made thereunder. The said policy can be accessed on the Company's website at [www.steelcast.net](http://www.steelcast.net). The necessary preventive actions, including Closure of Trading Window around the time of publication of any price sensitive events or information, are taken.

**13. MD/CEO & CFO CERTIFICATION:** In accordance with the requirements of Regulation 17(8) of Listing Regulation, a certificate from Managing Director and Chief Financial Officer of the Company, on the financial statements of the Company was placed before the Board in the Meeting held on 18th May, 2022. The same is annexed to this report and forms part of this Annual Report.

**14. REPORT ON CORPORATE GOVERNANCE:** This Corporate Governance Report forms part of the Annual Report. Certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance as stipulated in Listing Agreement/Listing Regulation and the same is annexed to this report and forms part of this Annual Report.

**15. MEANS OF COMMUNICATION:** The Company has a practice to publish Quarterly\ Annual results in leading newspapers of the Country, namely, Economic Times & Navgujarat Samay and also to put the same on its website at www.steelcast.net. The aforesaid financial results are also disclosed on the websites of the BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE) where the Company's securities are listed, immediately after these are approved by the Board. Moreover, a direct communication is also made to the shareholders by the Managing Director as and when required. Further, there is a separate General Shareholder Information section in this Annual Report and forms part of it.

**16. Disclosures of Related Party Transactions (RPTs):** The SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 have introduced, as a part of the "related party disclosure" in the annual report, disclosures of transactions of the listed entity with any person or entity belonging to the promoter or promoter group which hold(s) 10% or more shareholding in the listed entity. The details of related party transactions entered during the financial year 2021-22 are as below:

(INR in Lakhs)

Name of the Related Party	Nature of Transaction	Amount
Mr. Chetan M Tamboli	Remuneration	36.45
	Commission paid for Financial Year 2020-21	35.32
	Medical Expenses Reimbursement	2.73
Mr. Rushi C Tamboli	Remuneration	18.48
	Commission paid for Financial Year 2020-21	16.36
	Medical Expenses Reimbursement	-

**17. Disclosure on audit and non-audit services rendered by the auditor:** The SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 requires to disclose total fees paid to auditors for audit and non-audit services to improve transparency. The total fee paid to the Statutory Auditors during the FY 2021-22 is as under:

(INR in Lakhs)

Sr. No.	Particulars	Amount
a.	Fee paid for audit services:	INR 5.16
b.	Fee paid for Non-Audit Service:	INR 5.33
	<b>Total fee paid:</b>	<b>INR 10.49</b>

**18. Disclosure pertaining to Credit Rating:** SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018, Para 3(t)(ii) and Para 3(x)(c)(ii)] require listed entity to disclose as a part of the Corporate Governance Report, a list of all credit ratings obtained by the listed entity for all debt instruments or for any fixed deposit program, or any scheme or proposal involving mobilization of funds. This needs to be disclosed along with any revisions thereto during the relevant financial year. The ratings for the following CREDIT facilities sanctioned by banks, carried out by CARE Ratings Limited and intimated vide their letter no. CARE/ARO/RL/2021-22/1405 dated 29th June, 2021:

Sr. No.	Credit Facilities	Ratings	Rating Action
1	Long Term/Short Tem Facilities	CARE BBB+; Stable/ CARE A2 (Triple B Plus; Outlook: Stable/ A Two)	Revised from CARE BBB+; Negative/ CARE A2 (Triple B Plus; Outlook: Negative/ A Two)

### Rating Action: Reasoning by Rating Agency for Outlook revised from Negative to Stable:

The outlook on the long term rating of Steelcast Limited has been revised from 'Negative' to 'Stable' on the back of faster than anticipated recovery in demand from its key end-user industries from H2FY21 onwards resulting in improved profitability, debt coverage indicators and its liquidity.

## 19. DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

- number of complaints filed during the financial year: NIL
- number of complaints disposed of during the financial year: NIL
- number of complaints pending as on end of the financial year: NIL

**20. Disclosures pertaining to disqualification of Directors:** The SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 introduced requirement to disclose a certificate from a Company Secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as the directors of companies by the Board/MCA or any such statutory authority. In this regard, Company have received certificate from Mr. Dinesh Bhimani, Practicing Company Secretary (Membership No. FCS 8064) (Address: 207, Nathwani Chambers, Sardar Gunj, Anand-388 001, Gujarat) dated on 2nd may, 2022 that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as the directors of companies by the Board/MCA or any such statutory authority.

**21. Views of committees not accepted by the Board of Directors:** The SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 introduced requirement to disclose, along with the reasons thereof, where the Board has not accepted any recommendation of any committee of the Board which is mandatorily required. We hereby confirm that the Board has accepted all the recommendations received from committee of the Board which is mandatorily required and there is no recommendation which has not been accepted by the Board to comment upon.

## 22. GENERAL SHAREHOLDERS INFORMATION:

### a. Information about AGM, Financial Year, Book Closure & Dividend Payment Date, Stock Exchanges & Stock Code:

Sr. No	Particulars	Details			
1	Financial Year: From 1st April, to 31st March				
2	AGM (as indicated in the Notice)	<b>Date</b>	<b>Time</b>	<b>Venue</b>	
		4th August, 2022	1600 Hours	Efcee Sarovar Portico – Sarovar Hotels, Iscon Mega City, Opp. Victoria Park, Bhavnagar, Gujarat 364002	
3	Date of Book Closure (both days inclusive)	<b>From</b>	<b>To</b>	<b>Dividend Payment Date</b>	
		28th July, 2022	4th August, 2022	On or before 3rd September, 2022	
4	<b>Listing on Stock Exchanges</b>	<b>Name of Stock Exchange</b>	<b>Stock Code/ Symbol</b>	<b>ISIN</b>	<b>Listing Fees paid upto</b>
		BSE Limited (BSE)	513517	INE124E01020	31st March, 2023
		National Stock Exchange of India Ltd. (NSE) (Listed w.e.f. 23.11.2021)	STEELCAS	INE124E01020	31st March, 2023
5	<b>Address for Correspondence</b>	<b>Name of contact person</b>	<b>Address</b>	<b>Telephone</b>	<b>e-mail</b>
		Mr. Umesh Bhatt (Company Secretary)	Steelcast Limited Ruvapari Road, Bhavnagar 364 005	0278-2519062	cs@steelcast.net

**b. Market Capitalization of the Company & Price Earning Ratio:**

Date	Market Price-Closing (INR)	EPS in INR	P/E ratio	Market capitalization (INR In Lacs)	% Change in	
					P/E Ratio	Market Capitalization
31.03.2022	349.80	16.44	21.28	70,799.52	(6.21)	150.21
31.03.2021	139.80	6.16	22.69	28,295.52		

**c. Market Price Data and Performance in comparison to broad-based indices viz., BSE Sensex: (As per records of BSE Limited in respective month of the Financial Year 2021-22)**

Month	Share Price at BSE(INR)		BSE Sensex	
	High	Low	High	Low
Apr, 2021	149.00	120.00	50,375.77	47,204.50
May, 2021	172.95	128.40	52,013.22	48,028.07
Jun, 2021	182.00	147.05	53,126.73	51,450.58
Jul, 2021	268.50	170.00	53,290.81	51,802.73
Aug, 2021	255.00	206.25	57,625.26	52,804.08
Sep, 2021	263.95	200.00	60,412.32	57,263.90
Oct, 2021	345.00	228.10	62,245.43	58,551.14
Nov, 2021	347.00	260.55	61,036.56	56,382.93
Dec, 2021	320.00	273.10	59,203.37	55,132.68
Jan, 2022	340.75	275.00	61,475.15	56,409.63
Feb, 2022	315.15	254.95	59,618.51	54,383.20
Mar, 2022	354.80	261.70	58,890.92	52,260.82

**d. Registrar and Share Transfer Agents:** Pursuant to the approval of the Board of Directors, the Company has changed its Registrar and Share Transfer Agent from MCS Share Transfer Agent Limited, to Bigshare Services Private Limited effective from 1.10.2021.

**e. Share Transfer System:** The Company's shares being in compulsory demat list, are transferable through the depository system. However, shares in the physical form are processed by the Registrar and Share Transfer Agents for certain specific purposes such as transmission etc. due to restrictions laid down by the SEBI. The share transfer process is reviewed and noted by the Board/Committee.

**f. Distribution of shareholding as on 31st March, 2022:**

No of equity shares	No of shareholders	% of shareholders	No of shares held	% of shareholding
1 to 5000	2904	79.54	724,913	3.58
5001 to 10000	264	7.23	405,834	2.01
10001 to 20000	176	4.82	521,848	2.58
20001 to 30000	79	2.16	391,615	1.93
30001 to 40000	40	1.10	286,143	1.41
40001 to 50000	29	0.79	264,404	1.31
50001 to 100000	71	1.94	1,022,951	5.05
100001 & above	88	2.41	16,622,292	82.13
<b>Total</b>	<b>3651*</b>	<b>100.00</b>	<b>20,240,000</b>	<b>100.00</b>

\*Total No. of Registered Folio.

**g. Shareholding pattern as on 31st March, 2022:**

Sr. No.	Category of shareholder	Number of Shareholders	Number of shares held	Number of shares held in dematerialized form	% of shareholding	% of shareholders
1.0	Shareholding of Promoter and Promoter Group	6	9,324,146	9,324,146	46.07	0.17
2.0	<b>Public Shareholding</b>					
2.1	Institutions-FPI	1	3,500	3,500	0.02	0.05
2.2	Central government / IEPF Suspense Account	-	-	-	-	-
2.3	Bodies Corporate	61	1,390,385	1,377,985	6.87	2.71
2.4	Individuals	3257	6,835,998	6,643,144	33.77	89.50
2.5	NRI	114	1,624,323	1,624,323	8.03	3.78
2.6	Foreign Company	1	400,000	-	1.98	0.02
2.7	HUF	112	368,396	368,396	1.82	3.32
2.8	Clearing Members	24	16,508	16,108	0.08	0.02
2.9	IEPF	1	276,744	276,744	1.37	
	<b>Total Public Shareholding</b>	<b>3571</b>	<b>10,915,854</b>	<b>10,310,200</b>	<b>53.93</b>	<b>99.83</b>
	<b>Grand Total (1.0) + (2.0)</b>	<b>3577*</b>	<b>20,240,000</b>	<b>19,634,346</b>	<b>100.00</b>	<b>100.00</b>

\*Number of shareholders based on PAN.

**h. Dematerialization of Shares and Liquidity:** The equity shares of the Company are available in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd., (CDSL). The Company's equity shares are traded compulsorily in the dematerialized form. As on date, out of 20,240,000 equity shares of the Company, 19,634,346 equity shares have been dematerialized, representing 97.00% of the total number of shares.

Your company confirms that the promoters' holdings were converted into dematerialized form and the same is in line with the circulars issued by SEBI.

Shareholders who are still holding shares in physical form are requested to dematerialize their shares at the earliest. This will be necessary and also be advantageous to deal in securities. For queries / clarification / assistance, shareholders are advised to approach the Company's Registrar and Share Transfer Agents, Bigshare Services Private Limited..

**i. Outstanding GDINR/ ADINR/ Warrants or any Convertible Instruments, conversion date and likely impact on equity:** As on date, the Company has not issued GDINR, ADINR or any other Convertible Instruments and as such, there is no impact on the equity share capital of the Company.

**j. Plant Locations:** The Company's plant is only located at Ruvapari Road, Bhavnagar, Gujarat 364005.

**k. Commodity Price Risk/Foreign Exchange Risk and Hedging Activities:** Company is exposed to foreign exchange risk on account of import and export transactions entered into. Also it is a sizable user of various commodities, including base metals, which exposes it to price risk on account of procurement of commodities. The Company hedged Foreign Currency for import of goods and did not hedge commodities that company imported during the year.

- l. Disclosure with respect to demat suspense account/ unclaimed suspense account of shares:** As on 31st March, 2022, 276744 shares have been transferred to Investor Education Fund Suspense Account.

Pursuant to Section 124 & 125 of the Companies Act 2013 read with the **Investor Education and Protection Fund Authority( Accounting Audit Transfer and Refund) Rules,2016** (‘the Rules’) notified by the Ministry of Corporate Affairs, New Delhi, The Rules, inter alia, provide for transfer of all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years, to the Investor Education Protection Fund (IEPF) set up by the Central Government.

**m. Discretionary Requirements:**

- The position of the Chairman and Managing Director are not separate as this is optional now.
- The quarterly financial results are published in the newspapers of wide circulation and are not sent to individual shareholders. Further, the financial results are available on the website of the Company and of the Stock Exchanges where the shares of the Company are listed, i.e. BSE Ltd and National Stock Exchange of India Ltd.
- The Auditors’ Opinion on the Financial Statements is unmodified.
- Internal Auditors report to the Audit Committee.

- n. Disclosure of the Compliance with Corporate Governance requirement as specified in Listing Regulation:** The Company affirms that all the requirements applicable under the Listing Regulations are complied with.

For and on behalf of the Board of Directors  
For **STEELCAST LIMITED**

Place: Bhavnagar  
Date : 18th May, 2022

**Chetan M Tamboli**  
CHAIRMAN & MANAGING DIRECTOR

## ANNEXURE-G TO THE BOARD'S REPORT

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members of  
Steelcast Limited  
Ruvapari Road,  
Bhavnagar - 364005.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of STEELCAST LIMITED having CIN L27310GJ1972PLC002033 and having registered office at Ruvapari Road, Bhavnagar- 364005 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Apurva Rajendra Shah	00004781	18.06.2003
2	Mr. Chetankumar Manmohanbhai Tamboli	00028421	31.08.1991
3	Mr. Rajendra Vadilal Gandhi	00189197	28.10.2002
4	Mr. Hemantbhai D Dholakia	00147408	29.06.2020
5	Ms. Vidhi Chetanbhai Tamboli	06689283	05.11.2019
6	Mr. Rushil Chetanbhai Tamboli	07807971	02.11.2017

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

Place: Bhavnagar  
Date: 2nd May, 2022  
UDIN: F008064C000255201

For **D. G. Bhimani & Associates**

**Dineshkumar G. Bhimani**  
Company Secretary  
CP No.: 6628

## DECLARATION OF COMPLIANCE WITH THE GENERAL CODE OF CONDUCT OF THE COMPANY

In the above regard as provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I declare as follows:

1. The Company does have a General Code of Conduct approved by its Board of Directors, which is posted on its website [www.steelcast.net](http://www.steelcast.net)
2. All the members of the Board of Directors and all the members of the Senior Management of the Company have individually submitted statements of affirmation of compliance with the said Code of Conduct for the financial year ended 31st March, 2022.

**By Order of the Board of Directors**  
For **STEELCAST LIMITED**

Place: Bhavnagar  
Date: 18th May, 2022

**Chetan M Tamboli**  
Chairman & Managing Director  
DIN:00028421



## MD/CEO & CFO CERTIFICATION

To,  
The Board of Directors,  
STEELCAST LIMITED

We certify that:

- a. We have reviewed financial statements and the cash flow statement of Steelcast Limited for the year ended 31st March, 2022 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the Company during the years which are fraudulent, illegal or violative of the Code of Conduct of the Company.
- c. We accept responsibility for establishing and maintaining internal controls over financial reporting and that we have evaluated the effectiveness of internal control systems of the Company over financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls over financial reporting, if any, of which we are aware and the steps we have taken, propose to take, to rectify these deficiencies. In our opinion, there are adequate internal controls over financial reporting;
- d. We have indicated to the auditors and the Audit Committee that there are:
  - (i) no significant changes in internal control over financial reporting during the year;
  - (ii) no significant changes in accounting policies during the year and
  - (iii) no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

For **STEELCAST LIMITED**

**Chetan M Tamboli**  
CHAIRMAN & MANAGING DIRECTOR

Place: Bhavnagar  
Date: 18th May, 2022

For **STEELCAST LIMITED**

**Subhash R. Sharma**  
CHIEF FINANCIAL OFFICER

# ANNEXURE-H TO THE BOARD'S REPORT

## INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
**STEELCAST LIMITED**

1. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").

### MANAGEMENT'S RESPONSIBILITY

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

### AUDITOR'S RESPONSIBILITY

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### OPINION

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended 31st March, 2022.

### OTHER MATTERS AND RESTRICTION ON USE

8. This Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

9. This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For **S S M & Co,**  
Chartered Accountants  
FRN : 129198W

Place : Bhavnagar  
Date : 18th May, 2022  
UDIN : 22106804AJEYHI4078

**CA Sarju S. Mehta**  
Partner  
M. N. 106804

## ANNEXURE-I TO THE BOARD'S REPORT

# MANAGEMENT DISCUSSION AND ANALYSIS

### Company overview

Steelcast Ltd is a well-known name in the Steel & Alloy-steel castings industry. It manufactures cast products using No-Bake and Shell Molding processes. The company continued catering to its main sectors like earth moving equipment, mining & mineral processing, construction, railways, steel plants, cement, locomotive etc. The company explored new regions, sectors and customers during the year thus adding to the number of parts produced. The company performed quite well despite subdued results of the 1st quarter due to the tremors of lockdowns & uncertainties. The global developments played a significant role in performance of the company. The exports sale for FY 2021-22 were higher compared to export sales for FY 2020-21 due to COVID-19 situation improved quickly in USA and European countries.

The projections for the current year FY 2022-23 are quite optimistic and hopefully we will be putting up all time high performance subject to the conditions that the COVID-19 situation and Russia-Ukraine war do not go beyond present level.

### Global economic overview

The global economy grew an estimated 5.9% in 2021 compared to a de-growth of 3.3% in 2020. This improvement was largely due to increased vaccination rollout the world over.

The spot price of Brent crude oil increased 53.34% from USD 50.37 per barrel at the beginning of 2021 to USD 77.24 per barrel at the end of the calendar year, strengthening the performance of oil exporting countries and moderating growth in importing nations. Global FDI reported an increase from \$929 billion in 2020 to an estimated \$1.65 trillion in 2021.

The global economy was affected by prohibitive shipping freight rates, a shortage of shipping containers and semiconductor chips in 2021, affecting global economic recovery. Inflation was at its highest since 2011, especially in the advanced economies, catalysed by a run up in commodity prices. Some emerging and developing economies were positioned to withdraw policy support to contain inflation even as the economic recovery was still incomplete.

The prominent feature of the global economic activity during the year under review was a sharp revival in commodity prices to record levels following the drop at the time of pandemic outbreak.

The global economy is projected to grow at a modest 2.6% in 2022 following the Russia-Ukraine crisis. A higher interest rate environment could affect emerging markets and developing economies with large foreign currency borrowings and external financing needs in 2022.

### Performance of major economies

**United States:** The country reported GDP growth of 5.7% in 2021 compared to a de-growth of 3.4% in 2020, following the government's investment of trillions of dollars in COVID relief.

**China:** The country's GDP grew 8.1% in 2021 compared to 2.3% in 2020 despite it being the novel coronavirus epicentre.

**United Kingdom:** The country's GDP grew 7.5% in 2021 compared to a 9.9% de-growth in 2020.

**Japan:** The country reported growth of 1.7% in 2021 following a contraction in the previous year.

**Germany:** The country reported a GDP growth of 2.9% in 2021 compared to a decline of 4.9% in 2020.

*(Source: World Bank, IMF, Business Standard, Times of India)*

### Indian economic overview

India's monsoon was abundant in 2021 as the country received 99.32% of a normal monsoon, lower though than in the previous year.

There were positive features of the Indian economy during the year under review.

Foreign direct investments (FDI) in India increased 15 per cent to US\$74.01 billion in 2021 from US\$87 billion in 2020, a validation of global investing confidence in India's growth story. The government approved 100% FDI for insurance intermediaries and increased FDI limit in the insurance sector from 49% to 74% in Union Budget 2021-22.

India surpassed the INR 88,000 cr target set for asset monetisation in 2021-22, raising over INR 97,000 crore with roads, power, coal, mining and minerals accounting for a large chunk of the transactions.

The Indian government launched a four-year INR 6 lakh crore asset monetisation plan (roads and highways, pipelines, power transmission lines, telecom towers, railways station re-development, private trains, tracks, goods sheds, dedicated freight corridor, railways



stadiums, airports, projects in major ports, coal mining projects, mineral mining blocks, national stadium, redevelopment of colonies and hospitality assets).

India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of 2021-22 following the relaxation of the lockdown, validating the consumption-driven improvement in the economy. The country recorded its all-time highest GST collections in March, 2022 standing at INR 1.42 lakh crore, which is 15% higher than the corresponding period in 2021.

India ranked 62 in the 2020 World Bank's Ease of Doing Business ranking. The country received positive FPIs worth INR 51,000 crore in 2021 as the country ranked fifth among the world's top leading stock markets with a market capitalisation of \$3.21 trillion in March, 2022.

The fiscal deficit was estimated at INR 15.91 trillion for the year ending 31st March, 2022 on account of a higher government expenditure during the year under review.

India's per capita income was estimated to have increased 16.28% from INR 1.29 lakh in 2020-21 to INR 1.50 lakh in 2021-22 following a relaxation in lockdowns and increased vaccine rollout.

India's tax collections increased to a record INR 27.07 lakh crore in FY 2021-22 compared with a budget estimate of INR 22.17 lakh crore. While direct taxes increased 49 per cent, indirect tax collections increased 30 per cent. The tax-to-GDP ratio jumped from 10.3 per cent in FY21 to 11.7 per cent in FY22, the highest since 1999.

Retail inflation in March, at 6.95 per cent was above the RBI's tolerance level of 6 per cent but fuel prices played no part in this surge. Retail inflation spiked to a 17-month high in March, 2022, above the upper limit of the RBI's tolerance band for the third straight month.

*(Source: Economic Times, IMF, World Bank, EIU, Business Standard, McKinsey, SANDRP, Times of India, Livemint, InvestIndia.org, Indian Express, NDTV, Asian Development Bank)*

## Indian economic reforms and Budget 2022-23 provisions

The Budget 2022-23 seeks to lay the foundation of the Indian economy over the 'Amrit Kaal' period of the next 25 years leading to 100 years of independence in 2047. The government is emphasizing the role of PM GatiShakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments.

The capital expenditure target of the Indian government expanded by 35.4% from INR 5.54 lakh crore to INR 7.50 lakh crore. The effective capital expenditure for FY23 is seen at INR 10.7 lakh crore. An outlay of INR 5.25 lakh crore was made to the Ministry of Defence, which is

13.31% of the total budget outlay. A boost was provided to India's electric vehicle policy 'Scheme for Faster Adoption and Manufacturing of (Hybrid and) Electric Vehicle in India'. An announcement of nearly INR 20,000 crore was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An expansion of 25,000 km was initiated for 2022-23 for the national highways network. To boost the agricultural sector, an allocation of INR 2.37 lakh crore was made towards the procurement of wheat and paddy under MSP operations. An outlay of INR 1.97 lakh crore was announced for the Production Linked Incentive (PLI) schemes across 13 sectors.

## Outlook

India's medium-term optimism is derived from the fact that three down cycles – long-term, medium-term and short-term – could well be reversing at the same time. The long-term downtrend, as a result of nonperforming assets, scams and overcapacity could be over; the medium-term downtrend that was caused by the ILFS crisis, select banks collapse and weakening NBFCs could well be over; the short-term downtrend on account of the pandemic has weakened following the acceleration of the vaccine rollout.

There is a possibility of each of these downtrends having played out, which could well lead to a multi-year revival in capital investments. Some USD 500 billion worth of investments are expected to be made in the wind and solar infrastructure, energy storage and grid expansion.

The Indian economy is projected to grow by 8% in FY23 (World Bank estimate), buoyed by tailwinds of consistent agricultural performance, flattening of the COVID-19 infection curve, increase in government spending, favourable reforms and an efficient roll-out of the vaccine leading to a revival in economic activity.

Across the next three years, capital expenditure in core sectors - cement, metal, oil refining and power - should be about INR 5 trillion. Besides, the government's production linked incentives (PLI)-led capex should generate an incremental INR 1.4 trillion in sectors like consumer durables, pharmaceuticals and automobiles.

## Budgetary reforms, FY 2022-23

The government aims to enhance job creation and boost economic activity by expanding national highways, increasing affordable housing and manufacturing new-generation trains, which will help the steel industry. The budget allocated to the Ministry of Road Transport and Highways for 2022-23 is \$2.66 billion, up from \$1.61 billion year on year, while the Railways Ministry was allocated \$1.86 billion, compared with \$1.5 billion for the year 2021-22.

*(Source – Fast Markets)*

## Growth drivers

- ◆ Due to increased consumer demand, India's crude steel output is expected to expand by 18% in FY22, reaching 120 million tonnes. The availability of raw resources such as iron ore and low-cost labour in India has fuelled the rise of the Indian steel industry. As a result, the steel industry has made a significant contribution to India's industrial output.
- ◆ According to the Directorate General of Commercial Intelligence and Statistics, in FY22 (until August 2021), iron ore exports reached US\$ 2.23 billion, registering an increase of 21.8% Y-o-Y.
- ◆ The construction equipment industry recorded a 47% growth in the second quarter of FY2021-22, according to a recent report by the Indian Construction Equipment Manufacturers Association (ICEMA).
- ◆ Over the next four quarters, India's construction industry is predicted to rise gradually. During the projection period, the growth pace is likely to continue, with a CAGR of 9.5 per cent between 2022 and 2026. By 2026, the country's construction production is estimated to reach INR 60,508.9 billion.
- ◆ Indian Railways' freight income grew to INR 1,17,386 crore (approximately) (US\$ 16.04 billion) in fiscal 2020-21, up from INR 113,488 crore (US\$ 16.10 billion) in fiscal 2019-20.
- ◆ The passenger segment is growing due to increased urbanisation and affluence (both urban and rural). By 2050, India is expected to account for 40 per cent of total world rail activity.

(Source: *livemint.com, ibef.com*)

## Industrial opportunities and outlook:

### Global Scene post pandemic: Capex Soars again:

**Extracts from March, 2022 - Global Finance Magazine**  
(Courtesy): Lydia Boussour, lead US economist at consultancy Oxford Economics: The post-pandemic boom is behind us, but we still have a positive outlook for business investment this year.

Going forward, capital spending on fulfilment will fall back somewhat to "match growth of our underlying businesses," he said. Elsewhere, however, the spending will continue. "We see the capex for infrastructure going up" this year as the company supports AWS, he noted. For transportation, "we still see additional levels of investment in that in 2022."

According to Chetan Ahya, chief Asian economist at Morgan Stanley. "Exports are the main driver of capex in Asia and I think growth in exports will be sustained," Ahya says. "Both global exports and global trade have picked up; and at the same time, Asia has increased market share-so that part is a bit more-sustainable."

Apart from exports, economists expect domestic Asian capex investment to begin rising in 2022. The big drivers in Asia are mobile telecoms' 5G investment and spending on the transition to a clean economy by utilizing more renewable energy.

Under its current five-year plan, China is making massive investments in switching from coal and oil for energy to things like solar and hydropower. China gets 80% of its energy from fossil fuels but hopes to cut that to 14% by 2060.

Despite concerns that economic growth may slow as central banks tap the brakes to combat inflation, companies around the globe are in a spending boom for capital such as factories and for things like digitalization and automation, 5G networks and the transition to 'clean energy.

While the US was clearly the leader in capital expenditures (capex) through the end of 2021, Asian economies (excluding Japan)-which account for 46% of global capex, according to S&P Global-have recently ramped up their investment plans as well.

The shortage of computer chips, which has hampered production of everything from autos to video game consoles, makes semiconductors the poster child for capex. The US has recorded the strongest capex spending since the 1940s, according to Morgan Stanley, driven by investment in business equipment and intellectual property rights.

Bank of America Head of US equity and quantitative strategy, Savita Subramanian, analyzing earnings reports of 200 S&P 500 index companies late last year, found capex had increased 23% compared with the prior year. Perhaps more importantly, on a two-year basis, capex was up 15%. She suggests capex may be entering a growth cycle.

Chinese President Xi Jinping told a UN conference in October that the country is building a 100-gigawatt wind- and solar-energy project in the desert, but didn't disclose a price tag. "China will continue to promote the adjustment of industrial structure and energy structure, vigorously develop renewable energy and accelerate the planning and construction of large scale wind and solar projects in desert areas," Xi said.

In Europe, corporate capital investment declined sharply during the pandemic but has now returned to levels similar to the years before, according to the European Investment Bank (EIB). "The share of firms expecting to increase their investment in the current financial year has bounced back from the dismal levels of 2020," says the EIB Investment Report 2021/2022. "The caveat is that investment is expected to rise from a very low base, as many firms cut investment in 2020," says the bank.

One of the biggest investment surges in Europe comes from the all-important auto industry, which is spending heavily on retooling factories to produce

electric vehicles. Volkswagen, the world's largest carmaker by revenue, says it doubled production of electric vehicles in 2021, and will put \$59 billion between now and 2026 into development of electric vehicles and e-mobility efforts.

Gareth Williams, a London-based analyst who tracks global capex volumes as head of Corporate Credit Research for S&P Global, says Europe's capex spending is lagging that of the US but is broadly similar in terms of industries that are spending the most.

ENEL, Europe's largest utility by market capitalization €71.6 billion (\$81. billion), says it is targeting an expenditure of €12.5 billion on capital investment this year, an increase of about €500 million over 2021. "Investments are up double digits in line with expectations, demonstrating once again our deployment capabilities that will fuel future growth," ENEL CFO Alberto de Paoli told analysts on the company's third-quarter 2021 earnings call. He said ENEL had spent €3.9 billion in Europe, where it has power generation in Italy and Spain; €2.3 billion in Latin America; and €1.3 billion to improve North American generation.

The major question facing CFOs right now is whether a potential slowdown in GDP growth could alter their spending plans in 2022, since at most companies capex is closely tied to revenue growth.

## Scene of Indian Metal Casting Industry

**Foundry Management & Technology (Courtesy) conducted surveys for 2022. The main highlights are as under:**

- a. 53.2% respondents indicated their business will be increasing their 2022 capital expenditures and 35.8% will be maintaining their CapEx spending at the 2021 level.
- b. 73.6% metalcasting businesses will be making capital investments during 2022, of whom 5.45% plans for new plant construction, and 21.8% of expansions or additions to existing plants. 60.9% will be investing in new capital equipment for their operations during 2022.
- c. 12.9% will be investing \$1 million to \$5 million in 2022; and 8.9% will invest more than \$5 million during 2022.
- d. Just 5.5% of respondents will be borrowing more to accomplish their 2022 CapEx objectives, while 49.5% will keep their borrowing plans even with current levels. 11.9% will be retiring debt during 2022; and 33.0% are not currently carrying any debt.
- e. During 2021, the most likely choices for capital spending addressed highly practical plant activity (air compressors, 30.9%; cranes/hoists, 25.8%; lift trucks or loaders, 20.6%), quality control processes (lab equipment, 27.8%; design software/hardware,

22.7%; testing/inspection equipment, 22.7%), and product or process improvement (machine tools, 25.8%; grinding equipment, 23.7%).

- f. More than half (52.3%) of all respondents identified the "labor shortage" as a significant problem during 2021, followed by "human resources" (43.1%) and "skills shortage" (36.7%) – all circling around the knot of troubles metalcasters have with filling the difficult, demanding, and sometimes dangerous jobs in their operations.
- g. The next level of problems for survey respondents reveals the challenge of maintaining the ins-and-outs of a manufacturing operation. More than a third of all respondents indicated "material shortages" (33.0%) and "raw material cost" (33.0%) have been problems during 2021, followed by "supply-chain disruptions" (28.44%), a new item on this list of woes but one that would seem to have some staying power.
- h. Outlook survey respondents listed their concerns for the next 12 months. Topping this list is "labor shortage" at 52.4%, a tick higher than its standing atop the 2021 list of problems. No other concern seems to come close: "labor costs" (32.38%), "raw materials cost" (32.38%), "human resources" (29.52%), "skills shortage" (29.52%), "energy costs" (27.62%), "material shortages" (27.62%), and supply chain disruptions" (19.05%).
- i. 21.5% of respondents expect U.S. economic growth to "remain about the same" as for 2021; 22.4% expect economic conditions to "decline somewhat"; and 7.5% expect to see a dramatic decline in U.S. economic conditions.
- j. 69.1% indicate plans to increase their employment totals during 2022, while 30.9% will not be adding to their workforces.

## Industry Structure and Developments of Steelcast Limited

### 1.0 Mining Industry:

Domestic sector has shown a steady growth in FY 2021-22 with Sales of INR 18 Lacs

For Export sector against a sales of INR 1,495 Lacs in FY 2020-21, the company made sales of INR 7,238 Lacs in FY 2021-22 showing YoY growth of 384%.

### 2.0 Earth Moving Equipment:

Against sales of INR 3,510 Lacs in FY 2020-21, the company made sales of INR 8,359 Lacs in FY 2021-22 showing YoY growth of 138%.

In a similar fashion, in Export Sector against Sales of INR 4,756 Lacs in FY 2020-21, the company made sales of INR 7,880 Lacs in FY 2021-22 having YoY growth of 65%.

### 3.0 Construction Equipment:

Domestic sector sales of INR 3,664 Lacs in FY 2020-21, the company made sales of INR 3,940 Lacs in FY 2021-22 showing steady growth of 7.5%.

Export Sector, we made Sales of INR 256 Lacs in FY 2021-22.

### 4.0 Locomotive & Railways:

Against actual sales of INR 719 Lacs in FY 2021-22, expected sales in FY 2022-23 is INR 3,802 Lacs. This shows significant growth in coming years.

### 5.0 Cement & Steel Sector:

The company made sales of INR 723 Lakhs in FY 2020-21.

**6.0 Ground Engaging Tools (GET):** We expect a significant improvement in this sector in the coming year with development of new customers and new parts.

**7.0 Partnering with Indian Defence Units:** The Company is making its constant endeavour to contribute to defense of the nation by partnering with the Indian Defence units. This efforts is continuing and we expect improvement in this sector considering the Government push through schemes like Atmanirbhar Bharat, Make in India etc. We have pending POs from Government Defense establishments. We plan to complete these pending POs in 2022-23.

## Position of the company in the foundry market

Despite the economic slump, India's foundry industry has grown consistently in recent years, despite lower demand from end-user industries such as engineering and car component manufacturing. In general, the Indian foundry industry has outpaced the country's economic expansion by a significant margin. Coal mining activity has increased over the previous five years, with many private actors joining the industry in addition to the government-controlled "Coal India."

The company has a strong track record in the mining and earthmoving industries, market share from items sold to these industries has always dominated the company's sales performance. To protect against a potential reduction in sales owing to the recession in these industries, the company has created several new parts for existing and new customers in these industries.

Other industries are served by the company's manufacturing capabilities. As a result, the company has produced additional items to expand into new areas. This will most likely increase the company's consumer base and allow it to compete with both domestic and international competitors.

There is fierce rivalry in the sector from both India and overseas, but when it comes to technologically

adept enterprises producing very intricate steel castings, there are few competitors. Steelcastings are manufactured by tiny, unorganised businesses in India, and the industry is very fragmented.

In terms of production capability, product mix, number of parts developed, and high-quality standards, the company ranks first. It is true that because this is a capacity-based and quality-based industry, entry barriers are relatively high. To compete, the corporation can take advantage of all of these factors, as well as economies of scale.

## Risk management

Every business has inherent risks, and the company realises the importance of taking proactive steps to identify and minimise them. Your company has implemented an effective organisational risk management system that scans the entire internal and external environment regularly to detect risks, develop mitigation strategies, and incorporate them into strategic plans. Disruption and uncertainty in business due to the Covid-19 pandemic, a volatile global economic scenario, restrictions on worldwide travel, industry risk, foreign currency volatility, client concentration, technology hazards, and financial risk are just a few of the significant threats. At various levels of management, measures for mitigating the foregoing risks have already been implemented. Management monitors and reviews the risk mitigation plans regularly.

## Changes in the financial performance

Particulars	(INR in Lakhs)	
	2021-22	2020-21
Sales/Income from Operations	30,204.02	15,772.98
Other Income	31.55	149.02
Sub-Total	30,235.57	15,922.00
Total Expenditure (before Interest & Depreciation)	23,835	12,616.74
Operating Profit (EBIDTA)	6,400.57	3,305.25
Operating Margin %	21.17%	20.76%
Profit/(Loss) After Tax	3,327.19	1,202.12
Return on Capital Employed % (EBIT) (ROCE=Total Equity + LT Borrowings)	39.42%	13.09%
No. of months Receivables (Receivables/Sales * 12)	2.99	3.91
Current Ratio (Current Assets/Current Liabilities)	1.35	1.93
Debt Equity Ratio (Long Term Borrowings/Net Worth)	0.00	0.14
Production (in MT)	13,263	7,586

## Key financial ratios:

(Disclosure of the following ratio changed 25% or more as compared to the previous year)

Sr. No.	Ratio	% change	Remarks
1	Current ratio	(29.95)	Short term borrowings increased more than 4 times compared to current assets, due to repayment of long term borrowings and two times increase in turn over compared to previous year. Further capital expenditure of INR 29 Cr. Incurred through Internal accruals and not by any long term borrowings.
2	Debt- Equity Ratio	123.52	Due to increase of short term borrowings on account of double turnover compared to previous year.
3	Debt Service Coverage ratio	(100.00)	DSCR ratio is 0 (Zero) not applicable as on 31.03.2022 as there is no term loan obligations on the company.
4	Return on Equity ratio	137.63	Due to better performance as compared to previous year.
5	Trade Payable Turnover Ratio	31.37	Purchases increased more compared to trade payables on account of higher production.
6	Net Capital Turnover Ratio	95.63	Higher turnover and constant net working capital
7	Net Profit ratio	43.54	Overall improvement in profit margins on account of cost reduction.
8	Return on Capital Employed	61.21	Overall improvement in profit margins on account of cost reduction including finance cost.
9	Return on Investment	126.09	Overall improvement in profit margins on account of cost reduction including finance cost.

## Human resources and industrial resources

Your Company's human resource philosophy and strategy have been designed to attract and retain the best talent that helps create an engaging workplace environment that encourages innovation. Your Company has fostered a culture that rewards continuous learning, collaboration and development, making it future-ready mitigating the challenges posed by ever-changing market realities. Employees are your Company's most valuable asset and our processes are designed to empower employees and support creative approaches of value. Your Company maintains a cordial relationship with its employees. Its emphasis on safe work practices and productivity improvement is unrelenting. Your Company employs more than 887 employees directly. The Company is conscious of its strong corporate reputation and the positive role it can play by focusing on "EHS" aspects. The Company has set very exacting standards in "EHS" management. The Company recognizes the importance of "EHS" aspects in its operations and has established comprehensive indicators to track performance in these areas. The Company values the safety of its employees and constantly raises the bar in ensuring a safe workplace.

## Internal control system

Your Company has an adequate and effective Internal Control Mechanism in place to ensure efficient conduct of its operations, security of assets, prevention and

detection of frauds/errors, accuracy and completeness of accounting records, and the timely preparation of reliable financial information as per its Management Information System (MIS). These controls have been designed to provide reasonable assurance about maintaining proper accounting controls for ensuring the reliability of financial reporting, monitoring of operations, and protecting assets from unauthorized use or losses, compliance with regulations. The Company has continued its efforts to align all its processes and controls with global best practices.

Apart from strong internal control, your Company has also appointed external and independent Audit Firms as its Internal auditors for periodical checking and monitoring of the Internal Control Measures for its plants.

Internal Auditors are present at the Audit Committee Meetings Where Internal Audit Reports are discussed alongside management comments and the findings and observation of the Internal Auditors. The Terms of Reference of the Audit Committee inter alia include reviewing the adequacy of the internal control environment, monitoring implementation of the action plans emerging out of Internal Audit findings including those relating to the strengthening of the Company's Risk Management Systems and discharge of statutory mandates.

Your Company has a Comprehensive Budgetary Control System in operation and its' Key Performance Indicators (KPI) are set for all-important operational

parameters. These are monitored and reviewed regularly by the management in Management Committee Meetings, which are chaired by the Executive Director of the Company and participated by all departmental heads and necessary corrective and preventive actions are being initiated.

### Impact of Second Covid-19 wave on growth recovery

Lockdown started lifting in 1st quarter in FY 2021-22 slowly world over and business activities began to pick up in 2nd Quarter and during the 3rd quarter it looked like rough phase is over. The 4th Quarter turned out to be an opportunity to recoup the lost sales. The 3rd wave of COVID-19 impacted harshly resulted into losses of human lives, however, normalcy restored very quickly. The company set up was ready to cope up with dormant demand of pandemic period and new demands for production in the rest of the period of the year. The market showed V-shape recovery and the positive effects can be seen in the financial results of the company.

With the quick improvement in global and domestic economy, the following points indicate good opportunities in the coming year(s):

- (a) Previous year dormant demand and capex investment plans promise a lot to a company like ours.
- (b) Addition of new sectors and customers
- (c) Global economy is reviving from slowdown and offers huge export potential
- (d) Stable Government in the country

(e) Government of India has laid emphasize on infrastructure development which would raise demand from Construction & Mining Equipment Industry

(f) India, a preferred destination after China

(g) Huge potential for India to enter into Global Supply Chain with low cost and skilled manpower .

The company expecting substantial growth in the current year 2022-23 considering the situation related to COVID-19 and Ukraine-Russia War does not go beyond present levels.

### Cautionary statement

Statement in this “Management Discussion and Analysis” describing the Company’s objectives, projections, estimates, expectations or predictions may be “forward-looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include global and Indian demand and supply conditions, finished goods prices, input materials availability and prices, cyclical demand and pricing in the Company’s principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, based on any subsequent development, information or events or otherwise.

By Order of the Board of Directors  
For **STEELCAST LIMITED**

Place: Bhavnagar  
Date: 18th May, 2022

**Chetan M Tamboli**  
Chairman & Managing Director  
DIN:00028421

# INDEPENDENT AUDITORS' REPORT

To  
The Members of  
STEELCAST LIMITED

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of STEELCAST LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2022 the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022 the 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 of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards 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 (ICAI) 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of

the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There is no any key audit matter to be communicated in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the 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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent;

and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position except those stated under note no. 40(c) - Contingent Liabilities.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The management, has represented that, to the best of its knowledge and beliefs, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the company to or in any other person or entity, including foreign entity ("intermediaries), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities indentified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The management, has represented, that, to the best of its knowledge and beliefs, no funds (which are material either individually or in aggregate) have been received by the company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities indentified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the company, nothing has come our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Note 18 of the standalone financial statement
- (a) The final dividend proposed in the previous year, declared and paid by the company during the year is in

accordance with Section 123 of the Act, as applicable

- (b) The interim dividend declared and paid by the company during the year is in compliance with Section 123 of the Act, as applicable.
- (c) The Board of Directors of the Company have proposed final dividend for the year which is subject to approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

- 2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent possible.

For **S S M & Co,**  
Chartered Accountants  
FRN : 129198W

Place: Bhavnagar  
Date: 18th May, 2022  
UDIN : 22106804AJEZEE9441

**CA Sarju S. Mehta**  
Partner  
M. N. 106804

## ANNEXURE – A

### TO THE INDEPENDENT AUDITORS' REPORT

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

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

We have audited the internal financial controls over financial reporting of **STEELCAST LIMITED** ("the Company") as of 31st March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and

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

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

#### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that –

- (a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and
- (c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control

over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of

internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S S M & Co,**  
Chartered Accountants  
FRN : 129198W

Place: Bhavnagar  
Date: 18th May, 2022  
UDIN : 22106804AJEZEE9441

**CA Sarju S. Mehta**  
Partner  
M. N. 106804

## ANNEXURE – B

### TO THE INDEPENDENT AUDITORS' REPORT

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

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

- i. In respect of Property, Plant and Equipment and Intangible Assets:
  - (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) The Property, Plant and Equipment were physically verified by the management at reasonable intervals having regard to the size of the company, in a phased manner in accordance with a programme of physical verification. As informed, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and based on the records of the company examined by us, the title deeds of immovable properties are held in the name of the Company.
  - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
  - (e) No proceeding have been initiated during the year or are pending against the company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventories were physically verified by the management at reasonable intervals during the year. As informed to us, no discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification carried out by the Company.
- (b) During the year, the company has been sanctioned working capital limits from banks in excess of five crore rupees on basis of security of current asset. The quarterly returns or statements filed by the company with such banks are in agreement with books of accounts of the company.
- iii. During the year, the Company has not made any investment in, provided any guarantee or security or advances in nature of loans, secured or unsecured, to companies, firms, limited liabilities partnership or any other parties however, company has granted loans to other parties in respect of which:
  - (a) The Company has provided unsecured loans to other entity during the year, in respect of which:
    - (A) The Company has no subsidiaries, associate or joint ventures. Hence, the provisions of this clause is not applicable.
    - (B) The aggregate amount of unsecured loans granted during the year is Rs. 34.44 crores and balance outstanding at the balance sheet date is Nil.
  - (b) In our opinion, the terms and conditions of granted loans, during the year are prima facie, not prejudicial to company's interest.
  - (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
  - (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
  - (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
  - (f) The Company has not granted any loans or advances in nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.
- iv. The Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security, to the extent applicable.
- v. The Company has not accepted any deposits within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under with regard to the deposits accepted from the public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to Section 148(1) of the Companies Act, 2013 and are of the

opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. In respect of statutory and other dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other statutory dues, to the extent applicable, with the appropriate authorities during the year. There are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable.

(b) There are no amounts outstanding, which have not been deposited on account of dispute.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not defaulted in repayment of loans or other borrowing or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) Terms loans obtained by the Company have been applied for the purpose for which they were obtained.

(d) On overall examination of the financial statements of the company, funds raised on short-term basis have prima facie, not been used during the year for long-term purposes by the company.

(e) The Company does not have any subsidiaries, associate or joint ventures. Hence, the provision of this sub clause is not applicable.

(f) The Company does not have any subsidiaries, associate or joint ventures. Hence, the provision of this sub clause is not applicable.

x. (a) The Company has not raised any money, during the year, by way of public offer (including debt instruments).

(b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xi. (a) To the best of our knowledge and belief and according to the information and explanations

given to us, no fraud on or by the Company or on the Company by its officers or employees was noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of companies (Audit and Auditors) Rules, 2014 with the central government, during the year and upto the date of this report.

(c) According to the information and explanations given to us, there are no instances of whistle blower complaints received during the year by company.

xii. Since the Company is not a Nidhi Company, the provisions of this clause is not applicable to the Company.

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

xiv. (a) In our opinion the company has an adequate internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports for the year under audit issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion and according to the information and explanations given to us, during the year 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 Companies Act, 2013 are not applicable to the Company.

xvi. In our opinion, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under this clause is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the company during year.

xix. On basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statement and 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 indicating that 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 audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from balance sheet date, will get discharged by the company as and when they fall due.

xx. There are no unspent amounts towards Corporate Social Responsibility (CSR). Accordingly, reporting under this clause is not applicable.

xxi. The Company does not have any subsidiaries, associate or joint ventures. Accordingly, reporting under this clause is not applicable

For **S S M & Co,**  
Chartered Accountants  
FRN : 129198W

Place: Bhavnagar  
Date: 18th May, 2022  
UDIN : 22106804AJEZEE9441

**CA Sarju S. Mehta**  
Partner  
M. N. 106804

## Balance Sheet as at 31st March, 2022

(INR in Lakhs)

Particulars	Note	31st March, 2022	31st March, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	10,872.49	9,706.84
Capital Work-in-Progress	3	496.05	84.59
Intangible Assets	4	65.97	114.60
Financial Assets:			
Investments	5	9.25	8.85
Loans	6	-	-
Other Financial Assets	7	4.19	2.18
Current Tax Assets (Net)	8	-	-
Other Assets	9	1,098.61	1,041.90
<b>Total Non Current Assets</b>		<b>12,546.56</b>	<b>10,958.95</b>
<b>Current Assets</b>			
Inventories	10	6,157.37	2,563.35
Financial Assets:			
Trade Receivables	11	7,516.10	5,137.00
Cash and Cash Equivalents	12	11.69	6.61
Other Bank Balances	13	200.31	139.45
Loans	14	20.20	10.53
Other Financial Assets	15	1.30	1.22
Other Assets	16	1,150.92	408.00
<b>Total</b>		<b>15,057.88</b>	<b>8,266.15</b>
Assets Classified as held for Sale	17	-	0.18
<b>Total Current Assets</b>		<b>15,057.88</b>	<b>8,266.33</b>
<b>Total Assets</b>		<b>27,604.44</b>	<b>19,225.28</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	18	1,012.00	1,012.00
Other Equity	19	14,643.41	11,865.37
<b>Total Equity</b>		<b>15,655.41</b>	<b>12,877.37</b>
<b>Non-Current Liabilities</b>			
Financial Liabilities:			
Borrowings	20	-	883.98
Provisions	21	105.30	125.39
Deferred Tax Liabilities	22	671.76	838.99
Other Liabilities	23	-	203.26
<b>Total Non Current Liabilities</b>		<b>777.06</b>	<b>2,051.61</b>
<b>Current Liabilities</b>			
Financial Liabilities:			
Borrowings	24	6,279.86	1,427.04
Trade Payable:	25		
(a) Total outstanding dues of Micro Enterprises and Small Enterprises; and		-	-
(b) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises.		3,568.71	1,401.49
Other Financial Liabilities	26	1,071.95	790.20
Provisions	27	108.72	92.60
Current Tax Liabilities (Net)	28	26.11	10.20
Other Liabilities	29	116.62	573.77
<b>Total</b>		<b>11,171.97</b>	<b>4,295.31</b>
Liabilities directly associated with Assets Classified as held for Sale	30	-	1.00
<b>Total Current Liabilities</b>		<b>11,171.97</b>	<b>4,296.31</b>
<b>Total Liabilities</b>		<b>11,949.03</b>	<b>6,347.92</b>
<b>Total Equity and Liabilities</b>		<b>27,604.44</b>	<b>19,225.28</b>

The accompanying notes are an integral part of the Financial Statements.

As per our report on even date.

For S S M & CO  
Chartered Accountants  
FRN : 129198W

CA Sarju Mehta  
Partner  
M. No. 106804  
Place: Bhavnagar  
Date: 18th May, 2022

For STEELCAST LIMITED

Subhash Sharma  
Chief Financial Officer  
For and on Behalf of the Board of Directors

Rushil C Tamboli  
Director  
DIN: 07807971  
Place: Bhavnagar  
Date: 18th May, 2022

Umesh Bhatt  
Company Secretary

Chetan M Tamboli  
Chairman & Managing Director  
DIN: 00028421

## Statement of Profit and Loss for the year ended 31st March, 2022

(INR in Lakhs)

Particulars	Note	2021-22	2020-21
<b>Income:</b>			
Revenue from Operations	31	30,204.02	15,772.98
Other Income	32	31.55	149.02
<b>Total Income</b>		<b>30,235.57</b>	<b>15,922.00</b>
<b>Expenses:</b>			
Cost of Materials Consumed	33	9,495.02	3,629.19
Changes in Inventories of Finished Goods and Work-in-Progress	34	(2,693.92)	(233.65)
Employee Benefits Expenses	35	2,836.36	1,985.44
Finance Costs	36	156.02	359.01
Depreciation and Amortization Expenses		1,771.59	1,381.85
Other Expenses	37	14,197.54	7,235.75
<b>Total Expenses</b>		<b>25,762.61</b>	<b>14,357.60</b>
<b>Profit/(Loss) Before Exceptional Items and Tax</b>		<b>4,472.96</b>	<b>1,564.40</b>
Exceptional Items	38	-	-
<b>Profit/(Loss) Before Tax</b>		<b>4,472.96</b>	<b>1,564.40</b>
<b>Tax Expenses:</b>			
Current Tax		1,327.95	538.14
MAT Credit Entitlement		-	44.98
Short/(Excess) Provision of Tax of Earlier Years		(15.97)	6.74
Deferred Tax		(166.20)	(227.58)
<b>Profit/(Loss) for the Year</b>		<b>3,327.19</b>	<b>1,202.12</b>
<b>Other Comprehensive Income:</b>			
Items that will not be reclassified to Profit or Loss			
Re-Measurement Gains/(Losses) on Defined Benefit Plans		(4.08)	9.61
Income Tax Effect		1.03	(2.42)
Net Gain/(Loss) on Fair value through other comprehensive income (FVOCI) Equity Instruments		0.40	0.18
Income Tax Effect		-	-
<b>Total Other Comprehensive Income for the Year, Net of Tax</b>		<b>(2.66)</b>	<b>7.37</b>
<b>Total Comprehensive Income for the Year (Comprising Profit and Other Comprehensive Income for the Year)</b>		<b>3,324.53</b>	<b>1,209.49</b>
<b>Earnings per Equity Share:</b>			
Face Value Per Equity Share		5.00	5.00
Basic and Diluted Earnings Per Share (INR)	39	16.44	5.94

The accompanying notes are an integral part of the Financial Statements.  
As per our report on even date.

**For S S M & CO**  
Chartered Accountants  
FRN : 129198W

**CA Sarju Mehta**  
Partner  
M. No. 106804  
Place: Bhavnagar  
Date: 18th May, 2022

**For STEELCAST LIMITED**

**Subhash Sharma**  
Chief Financial Officer  
**For and on Behalf of the Board of Directors**

**Rushil C Tamboli**  
Director  
DIN: 07807971  
Place: Bhavnagar  
Date: 18th May, 2022

**Umesh Bhatt**  
Company Secretary

**Chetan M Tamboli**  
Chairman & Managing Director  
DIN: 00028421

## Statement of Cash Flow for the year ended 31st March, 2022

(INR in Lakhs)

Particulars	31st March, 2022		31st March, 2021	
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Net Profit Before Taxation		4,472.96		1,564.40
<b>Adjustments for -</b>				
Depreciation and Amortisation	1,771.59		1,381.85	
(Profit)/Loss on sale of Property, Plant & Equipment	(17.48)		(48.34)	
Provision for Impairment of Trade Receivables	2.69		(26.67)	
Sundry Balances Written Off / Back (Net)	3.00		(10.51)	
Unrealised Exchange (Gain)/(Loss)	(16.52)		44.51	
Dividend Income	(0.01)		-	
Interest Expenses(net)	128.19	1,871.46	277.17	1,618.00
<b>Operating Profit Before Working Capital Changes</b>		<b>6,344.42</b>		<b>3,182.40</b>
<b>Adjustments for -</b>				
Trade Receivables	(2,365.27)		(2,321.45)	
Inventories	(3,594.02)		(260.49)	
Other Financial and Non Financial Assets	(875.25)		1,945.04	
Trade Payables	2,167.22		356.83	
Other Financial and Non Financial Liabilities	(387.72)		373.28	
		(5,055.04)		93.22
<b>Cash Generated From Operations</b>		<b>1,289.39</b>		<b>3,275.62</b>
Direct Taxes (Payment)/Refund		(1,296.07)		(346.64)
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>(6.68)</b>		<b>2,928.97</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of Property, Plant & Equipment and Intangible Assets		(3,331.64)		(576.39)
Sale of Property, Plant & Equipment (including held for Sale)		49.22		167.06
Interest Received		10.46		59.21
Dividend Received		0.01		-
<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>(3,271.95)</b>		<b>(350.16)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Proceeds/(Repayment) from Long Term Borrowings (including current maturities of long term borrowings)		(1,811.02)		(921.83)
Interest Paid		(138.65)		(336.38)
Dividend Paid		(546.48)		(121.44)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(2,496.15)</b>		<b>(1,379.65)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(5,774.79)</b>		<b>1,199.16</b>
Cash and Cash Equivalents as at beginning of the year		(493.38)		(1,692.54)
Working Capital Finance from Banks (Net Change)				
<b>Cash and Cash Equivalents as at end of the year</b>		<b>(6,268.17)</b>		<b>(493.38)</b>

Reconciliation of Cash and Cash Equivalents as per the Cash Flow Statement	(INR in Lakhs)	
	31st March, 2022	31st March, 2021
Cash and Cash Equivalents as per above comprise of the following:		
Cash and Cash Equivalents (Note 11)	11.69	6.61
Working Capital Finance from Banks (Note 23)	6,279.86	499.99
<b>Balance as per Cash Flow Statement</b>	<b>(6,268.17)</b>	<b>(493.38)</b>

The accompanying notes are an integral part of the Financial Statements.

As per our report on even date.

**For S S M & CO**  
Chartered Accountants  
FRN : 129198W

**CA Sarju Mehta**  
Partner  
M. No. 106804  
Place: Bhavnagar  
Date: 18th May, 2022

**For STEELCAST LIMITED**

**Subhash Sharma**  
Chief Financial Officer

**For and on Behalf of the Board of Directors**

**Rushil C Tamboli**  
Director  
DIN: 07807971  
Place: Bhavnagar  
Date: 18th May, 2022

**Umesh Bhatt**  
Company Secretary

**Chetan M Tamboli**  
Chairman & Managing Director  
DIN: 00028421

## Statement of Changes in Equity for the year ended 31st March, 2022

### A Equity Share Capital:

Particulars	(INR in Lakhs)
<b>At March 31, 2020</b>	<b>1,012.00</b>
Changes in Equity Share Capital	-
<b>At 31st March, 2021</b>	<b>1,012.00</b>
Changes in Equity Share Capital	-
<b>At 31st March, 2022</b>	<b>1,012.00</b>

### B Other Equity

(INR in Lakhs)

Particulars	Reserves & Surplus				Total Other Equity
	Security Premium	Capital Reserve	General Reserve	Retained Earnings	
<b>As at 31st March, 2020</b>	<b>1,916.18</b>	<b>4.67</b>	<b>5,797.79</b>	<b>3,058.68</b>	<b>10,777.31</b>
Net Profit for the period	-	-	-	1,202.12	1,202.12
Other Comprehensive Income	-	-	-	7.37	7.37
Total Comprehensive Income	-	-	-	1,209.49	1,209.49
Final Dividend	-	-	-	(121.44)	(121.44)
Dividend Distribution Tax	-	-	-	-	-
<b>As at 31st March, 2021</b>	<b>1,916.18</b>	<b>4.67</b>	<b>5,797.79</b>	<b>4,146.74</b>	<b>11,865.37</b>
Net Profit for the period	-	-	-	3,327.19	3,327.19
Other Comprehensive Income	-	-	-	(2.66)	(2.66)
Total Comprehensive Income	-	-	-	3,324.53	3,324.53
Final Dividend	-	-	-	(546.48)	(546.48)
Dividend Distribution Tax	-	-	-	-	-
<b>As at 31st March, 2022</b>	<b>1,916.18</b>	<b>4.67</b>	<b>5,797.79</b>	<b>6,924.78</b>	<b>14,643.41</b>

(INR in Lakhs)

Particulars	2021-22	2020-21
Balance as at April 1	1,012.00	1,012.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 1	1,012.00	1,012.00
Changes in Equity Share Capital during the year	-	-
<b>Balance as at March 31</b>	<b>1,012.00</b>	<b>1,012.00</b>

## Notes to financial statements for the year ended 31st March, 2022

### Note: 1 Corporate Information

The financial statements are of Steelcast Limited ('the Company') for the year ended 31st March, 2022. The Company was incorporated on February 11, 1972. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is engaged in casting manufacturing business.

The registered office of the Company is located at Ruvapari Road, Bhavnagar, Gujarat – 364005.

The financial statements were authorized for issue in accordance with a resolution of the directors on 18th May, 2022.

### Note: 2 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared on an accrual basis and under the historical cost convention basis except for the following:

- ◆ Derivative financial instruments
- ◆ Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- ◆ Defined benefit plans – plan assets measured at fair value.

#### 2.1 Summary of significant accounting policies

##### A. Current versus non-current classification

All assets and liabilities are classified into current and non-current.

##### Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

##### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

## Notes to financial statements for the year ended 31st March, 2022

### Operating cycle

Based on the nature of services and the normal time between the acquisition of assets and their realization into cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

### Deferred tax

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

### B. Property, Plant and Equipment

Property, plant and equipment, capital work in progress are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price net of refundable taxes and any attributable cost of bringing the asset to its working condition for its intended use and initial estimate of decommissioning, restoring and similar liabilities. Borrowing costs relating to acquisition of property, plant and equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Subsequent expenditure is capitalized only when it is probable that the future economic benefits of the expenditure will flow to the Company. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciation over their useful life. Otherwise, such items are classified as inventories.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the assets and has useful life that is materially different from that of the remaining asset.

### C. Depreciation on property, plant and equipment

Depreciation is provided on Straight Line Method in the manner specified in the Schedule II in accordance with the provisions of section 123(2) of the Companies Act, 2013. The identified components are depreciated over their useful lives; the remaining assets are depreciated over the life of the principal assets.

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

### D. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Software is amortized using the straight-line method over a period of 6 years. The amortization expense is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

### E. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

## Notes to financial statements for the year ended 31st March, 2022

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

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

### F. Leases

#### Company as a lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

### G. Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Cost is determined on the following basis:

- ◆ Raw materials and stores and spares – on a weighted average method basis;
- ◆ Finished and semi-finished goods – at material cost plus direct expenses and appropriate value of overheads; cost of finished goods includes excise duty as applicable.

### H. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Revenue from sale of goods is recognized when significant risks and rewards of ownership are passed to the buyer, which generally coincides with dispatch of goods. Goods and Service Tax, Sales taxes and value added taxes, wherever applicable, are collected on behalf of the Government and therefore, excluded from the revenue.

Income from export incentives under various schemes notified by government is accounted on accrual basis.

The Company does not accrue interest on long-term advances received from customers towards supply of goods or services.

### I. Research & Development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the company can demonstrate all the following:

- ◆ The technical feasibility of completing the intangible asset so that it will be available for use or sale
- ◆ Its intention to complete the asset
- ◆ Its ability to use or sell the asset
- ◆ How the asset will generate future economic benefits
- ◆ How the assets will generate future economic benefits
- ◆ The availability of adequate resources to complete the development and to use or sell the asset
- ◆ The liability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use.

## Notes to financial statements for the year ended 31st March, 2022

It is amortized on a straight line basis over the period of expected future benefit from the related project. Amortization is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

Revenue expenditure on Research & Development is charged to the statement of profit and loss for the year in which it is incurred. Capital expenditure on Research & Development is shown as an addition to property, plant and equipment and depreciated on the same basis as other assets.

### J. Foreign currency transactions

#### Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate prescribed fortnightly by the Central Board of Indirect Taxes and Customs (CBIC) for exports between the reporting currency and the foreign currency at the date of the transaction. This practice followed by the company is consistent with Para 22 of the Ind AS 21.

#### Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

#### Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

### K. Employee benefits

#### Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the service.

#### Post-employment benefit plans

- i. Defined Contribution Plan: Contribution for provident fund are accrued in accordance with applicable statutes and deposited with the Regional Provident Fund Commissioner. Contribution for Superannuation in respect of certain employees of the company is made in accordance with the scheme with Life Insurance Corporation of India.
- ii. Defined Benefit Plan: The liability in respect of gratuity is determined using Projected Unit Credit Method with actuarial valuation carried out as at balance sheet date. Contributions in respect of gratuity are made to the Group Gratuity Scheme with Life Insurance Corporation of India. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
  - a. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
  - b. Net interest expense or income

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

#### Other long-term employee benefits

Long term compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per Projected Unit Credit method. Actuarial gains/losses are immediately taken to the

## Notes to financial statements for the year ended 31st March, 2022

statement of profit and loss and are not deferred.

### L. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

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

### M. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ◆ When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ◆ In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

- ◆ When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ◆ In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax asset is reviewed as at each balance sheet date and written down or written up to reflect whether taxable profit will be available or not.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

### N. Financial instruments

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

#### (i) Financial assets

##### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at

## Notes to financial statements for the year ended 31st March, 2022

fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

### Subsequent measurement

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

- ◆ Debt instruments at amortised cost
- ◆ Debt instruments at fair value through other comprehensive income (FVTOCI)
- ◆ Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- ◆ Equity instruments measured at fair value through other comprehensive income (FVTOCI)

#### Debt instruments at amortised cost

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

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

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

#### Debt instrument at FVTOCI

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

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

#### Debt instrument at FVTPL

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

#### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. The company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value in case of equity investments which are not held for trading. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from

## Notes to financial statements for the year ended 31st March, 2022

OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

### De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- ◆ The rights to receive cash flows from the asset have expired, or
- ◆ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets which are measured at amortised cost or FVOCI.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected in a separate line in the P&L as an impairment gain or loss.

For financial assets measured as at amortised cost, ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying

## Notes to financial statements for the year ended 31st March, 2022

amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

### (ii) Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

#### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

##### Financial liabilities at fair value through profit or loss

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

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

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

##### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

#### De-recognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### (iii) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of

## Notes to financial statements for the year ended 31st March, 2022

the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### (iv) Offsetting of financial instruments

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

### O. Derivative accounting

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

### P. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each reporting date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ◆ In the principal market for the asset or liability, or
- ◆ In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ◆ **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ◆ **Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ◆ **Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### Q. Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to

## Notes to financial statements for the year ended 31st March, 2022

equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### R. Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

### S. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

## Notes to financial statements for the year ended 31st March, 2022

### 3 Property, Plant and Equipment & Capital Work-in-Progress

(INR in Lakhs)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	Vehicles	Furniture & Fixture	Office Equipment	Total	Capital Work-in-Progress
<b>Cost or Deemed Cost (Gross Carrying Amount)</b>									
March 31, 2020	681.77	454.97	3,139.49	10,379.80	234.13	82.96	65.82	15,038.96	2.03
Additions	353.67	-	71.77	56.05	-	0.15	9.22	490.86	82.82
Deductions	-	-	114.54	14.76	8.96	-	3.41	141.68	0.26
Reversal of Assets classified as held for Sale in previous period	-	-	156.13	-	-	-	-	-	-
Deduction of Assets classified as held for Sale	-	-	1.66	-	-	-	-	1.66	-
Exchange differences capitalised	-	-	-	-	-	-	-	-	-
<b>As at 31st March, 2021</b>	<b>1,035.44</b>	<b>454.97</b>	<b>3,251.19</b>	<b>10,421.09</b>	<b>225.17</b>	<b>83.11</b>	<b>71.63</b>	<b>15,542.61</b>	<b>84.59</b>
Additions	10.53	-	832.03	2,009.25	25.00	5.35	35.07	2,917.24	496.05
Deductions	-	-	-	285.11	13.59	0.81	30.70	330.20	84.59
Reversal of Assets classified as held for Sale in previous period	-	-	-	-	-	-	-	-	-
Deduction of Assets classified as held for Sale	-	-	-	-	-	-	-	-	-
Exchange differences capitalised	-	-	-	-	-	-	-	-	-
<b>As at 31st March, 2022</b>	<b>1,045.97</b>	<b>454.97</b>	<b>4,083.22</b>	<b>12,145.23</b>	<b>236.59</b>	<b>87.65</b>	<b>76.01</b>	<b>18,129.65</b>	<b>496.05</b>
<b>Accumulated Depreciation and Impairment Losses</b>									
March 31, 2020	-	82.22	418.49	3,922.72	45.50	38.33	22.52	4,529.78	-
Depreciation for the Year	-	21.18	119.23	1,132.37	29.14	9.46	13.22	1,324.60	-
Deductions	-	-	2.87	8.34	8.51	-	3.24	22.96	-
Reversal of Assets classified as held for Sale in previous period	-	-	5.84	-	-	-	-	-	-
Depreciation of Assets Classified as held for Sale	-	-	1.48	-	-	-	-	1.48	-
<b>As at 31st March, 2021</b>	<b>-</b>	<b>103.40</b>	<b>539.21</b>	<b>5,046.75</b>	<b>66.13</b>	<b>47.79</b>	<b>32.50</b>	<b>5,835.78</b>	<b>-</b>
Depreciation for the Year	-	19.87	115.54	1,531.54	29.97	9.95	13.14	1,720.01	-
Deductions	-	-	-	261.67	7.57	0.77	28.63	298.64	-
Reversal of Assets classified as held for Sale in previous period	-	-	-	-	-	-	-	-	-
Depreciation of Assets Classified as held for Sale	-	-	-	-	-	-	-	-	-
<b>As at 31st March, 2022</b>	<b>-</b>	<b>123.26</b>	<b>654.74</b>	<b>6,316.62</b>	<b>88.53</b>	<b>56.98</b>	<b>17.02</b>	<b>7,257.15</b>	<b>-</b>
<b>Net Block</b>									
As at 31st March, 2022	1,045.97	331.71	3,428.48	5,828.61	148.06	30.67	58.99	10,872.49	496.05
As at 31st March, 2021	1,035.44	351.57	2,711.99	5,374.35	159.04	35.32	39.13	9,706.84	84.59

- All term loans from financial institutions were secured against first pari pasu charge on gross block of the fixed assets. Working capital finance taken from banks are also secured by way of second charge on gross block of fixed assets.
- The Company had also received long-term advance from one of the customers. The said advance was secured against plant and machinery purchased from such advance.
- There is no term lender as on 31st March, 2022 to claim 1st pari pasu charge on gross block of the fixed assets.

## Notes to financial statements for the year ended 31st March, 2022

### 3 Property, Plant and Equipment & Capital Work-in-Progress

#### Capital Work-in-Progress (CWIP) Ageing Schedule

As at 31st March, 2022

(INR in Lakhs)

Particulars	Amount in CWIP for a period of				Total Other Equity
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	496.05	-	-	-	496.05
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>496.05</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>496.05</b>

As at 31st March, 2021

(INR in Lakhs)

Particulars	Amount in CWIP for a period of				Total Other Equity
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	82.82	1.77	-	-	84.59
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>82.82</b>	<b>1.77</b>	<b>-</b>	<b>-</b>	<b>84.59</b>

CWIP completion schedule for projects where completion is overdue or has exceeded its cost compared to its original plan

There was no project overdue as on 31st March, 2022 and as on 31st March, 2021 nor exceeded its cost compared to its original plan during the FY 2021-22 and FY 2020-21.

### 4 Intangible Assets

(INR in Lakhs)

Particulars	Software
<b>Cost or Deemed Cost (Gross Carrying Amount)</b>	
<b>As at 31st March, 2020</b>	<b>395.28</b>
Additions	2.96
Deductions	-
<b>As at 31st March, 2021</b>	<b>398.25</b>
Additions	2.95
Deductions	-
<b>As at 31st March, 2022</b>	<b>401.20</b>
<b>Accumulated Amortization and Impairment Losses</b>	
<b>As at 31st March, 2020</b>	<b>226.40</b>
Depreciation for the Year	57.25
Deductions	-
<b>As at 31st March, 2021</b>	<b>283.65</b>
Depreciation for the Year	51.58
Deductions	-
<b>As at 31st March, 2022</b>	<b>335.23</b>
<b>Net Block</b>	
<b>As at 31st March, 2022</b>	<b>65.97</b>
<b>As at 31st March, 2021</b>	<b>114.60</b>

## Notes to financial statements for the year ended 31st March, 2022

### 5 Investments

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
<b>Investments at FVOCI (fully paid)</b>		
Investment in equity shares (Quoted)		
500 (31st March, 2021: 500) Equity shares of Ausom Enterprise Limited (FV Rs.10 per share)	0.33	0.22
50 (31st March, 2021: NIL) Equity shares of Uni Abex Alloy Products Ltd. (FV Rs.10 per share)	0.29	-
Investment in equity shares (Unquoted)		
43,000 (31st March, 2021: 43,000) Equity Shares of Bhadreshwar Vidyut Private Limited of Rs. 0.19 each	0.08	0.08
<b>Investments at amortised cost</b>		
300 (31st March, 2021: 300) Investment in Gold Soverien Bonds (Unquoted)	8.55	8.55
	<b>9.25</b>	<b>8.85</b>
Aggregate amount of quoted investment and market value thereof	0.62	0.22
Aggregate amount of unquoted investment	8.63	8.63

### 6 Loans

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
<b>Unsecured Considered Good (at amortised cost)</b>		
Loans to Employees	-	-
<b>Total</b>	-	-

### 7 Other Financial Assets

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Security Deposits	4.19	2.18
<b>Total</b>	<b>4.19</b>	<b>2.18</b>

### 8 Current Tax Assets (Net)

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Tax Paid in Advance (Net of Provision)	-	-
<b>Total</b>	-	-

### 9 Other Assets

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Capital Advances	1,098.61	1,041.90
<b>Total</b>	<b>1,098.61</b>	<b>1,041.90</b>

### 10 Inventories

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
<b>Inventories (At lower of cost and net realisable value)</b>		
Raw Materials	637.88	280.45
Work-in-Progress	4,362.36	1,645.69
Finished Goods	71.83	94.57
Stores and Spares	1,085.30	542.63
<b>Total</b>	<b>6,157.37</b>	<b>2,563.35</b>

## Notes to financial statements for the year ended 31st March, 2022

### 11 Trade Receivables

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
<b>Trade Receivables</b>		
(a) Trade Receivables considered good – Secured;		
(b) Trade Receivables considered good – Unsecured;	7,518.83	5,137.04
(c) Trade Receivables which have significant increase in Credit Risk; and	-	-
(d) Trade Receivables – Credit Impaired	-	-
	<b>7,518.83</b>	<b>5,137.04</b>
<b>Impairment Allowance (allowance for bad and doubtful debts)</b>		
(a) Trade Receivables considered good – Unsecured;	(2.73)	(0.04)
(b) Trade Receivables which have significant increase in Credit Risk; and	-	-
(c) Trade Receivables – Credit Impaired	-	-
	(2.73)	(0.04)
<b>Total</b>	<b>7,516.10</b>	<b>5,137.00</b>

#### Trade receivables Ageing Schedule

As at 31st March, 2022

(INR in Lakhs)

Particulars	Current but 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	
Undisputed Trade Receivables – considered good	7,004.59	447.97	66.27	-	-	-	7,518.83
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>7,004.59</b>	<b>447.97</b>	<b>66.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,518.83</b>

## Notes to financial statements for the year ended 31st March, 2022

As at 31st March, 2021

(INR in Lakhs)

Particulars	Current but 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	
Undisputed Trade Receivables – considered good	4,946.01	190.58	0.44	-	-	-	5,137.04
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>4,946.01</b>	<b>190.58</b>	<b>0.44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,137.04</b>

### 12 Cash and Cash Equivalents

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Balance with Bank		
In Current Account	0.54	0.82
In Deposit Account (with original maturity upto 3 months)	-	-
Cash on Hand	11.15	5.79
<b>Total</b>	<b>11.69</b>	<b>6.61</b>

### 13 Other Bank Balances

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Deposits (with original maturity of more than 12 months)	-	-
Unpaid Dividend Accounts	14.23	11.19
Margin Money Deposits	186.08	128.26
<b>Total</b>	<b>200.31</b>	<b>139.45</b>

### 14 Loans

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
(a) Loans Receivables considered good – Secured;	-	-
(b) Loans Receivables considered good – Unsecured;	20.20	10.53
(c) Loans Receivables which have significant increase in Credit Risk; and	-	-
(d) Loans Receivables – Credit Impaired	-	-
<b>Total</b>	<b>20.20</b>	<b>10.53</b>

### 15 Other Financial Assets

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Interest Receivable Accrued but not due	1.30	1.22
<b>Total</b>	<b>1.30</b>	<b>1.22</b>

## Notes to financial statements for the year ended 31st March, 2022

### 16 Other Assets

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Balances with Government Authorities	604.95	114.54
DEPB and Dutydraw Back Claim Receivable	69.34	153.70
Trade Advance to Suppliers	395.13	95.48
Prepaid Expenses	78.78	42.19
Advances to Staff	1.76	1.77
Other Current Assets	0.96	0.32
<b>Total</b>	<b>1,150.92</b>	<b>408.00</b>

### 17 Assets Classified as held for Sale

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Buildings	-	0.18
<b>Total</b>	<b>-</b>	<b>0.18</b>

Assets classified as held for sale as on 31st March, 2021 includes buildings which the management of the Company had decided to sale as they were no longer used in the normal course of the business.

### Break up of Financial Assets carried at Amortised Cost

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Investment in Gold Soverien Bonds (Note 5)	8.55	8.55
Loans (Note 6 & 14)	20.20	10.53
Trade Receivables (Note 11)	7,516.10	5,137.00
Cash and Cash Equivalent (Note 12)	11.69	6.61
Other Bank Balances (Note 13)	200.31	139.45
Other Financial Assets (Note 7 & 15)	5.49	3.40
<b>Total</b>	<b>7,762.33</b>	<b>5,305.53</b>

### Break up of financial assets carried at fair value through other comprehensive income

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Investment in Equity Instruments (Quoted) (Note 5)	0.62	0.22
Investment in Equity Instruments (Unquoted) (Note 5)	0.08	0.08
<b>Total</b>	<b>0.70</b>	<b>0.30</b>

### 18 Equity Share Capital

#### A Authorised Share Capital

(INR in Lakhs)

	Equity Shares of INR 5 each	
	No. of Shares	Amount
As at 31st March, 2021	3,00,00,000	1,500.00
Increase/(Decrease) during the year	-	-
<b>As at 31st March, 2022</b>	<b>3,00,00,000</b>	<b>1,500.00</b>

#### B Terms/Rights attached to Equity Shares

The Company has one class of shares referred to as Equity Shares having a par value of INR 5 each. Each shareholder is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

## Notes to financial statements for the year ended 31st March, 2022

### 18 Equity Share Capital (contd.)

#### C Issued Equity Capital

(INR in Lakhs)

	No. of Shares	Amount
As at 31st March, 2021	2,02,40,000	1,012.00
Changes during the year	-	-
As at 31st March, 2022	2,02,40,000	1,012.00

D Of the total Share Capital 1,31,16,000 Equity Shares were issued as fully paid up Bonus Shares.

#### E Details of Shareholders Holding more than 5% shares in the Company

(INR in Lakhs)

Name of the Shareholder	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	% Holding	No. of Shares	% Holding
Shri Chetan M Tamboli	35,19,420	17.39%	33,19,420	16.40%
Mrs. Manali C Tamboli	14,29,086	7.06%	12,29,480	6.07%
Tamboli Investments Pvt. Ltd.	19,63,200	9.70%	19,63,200	9.70%
Rushil Industries Limited	15,76,000	7.79%	15,76,000	7.79%

#### F Details of equity shares held by promoter

As at 31st March, 2022

(INR in Lakhs)

Name of promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Shri Chetan M Tamboli	33,19,420	2,00,000	35,19,420	17.39%	6.03%
Mrs. Manali C Tamboli	12,29,480	1,99,606	14,29,086	7.06%	16.23%
Tamboli Trading LLP (Formerly known as Tamboli Investments Pvt. Ltd.)	19,63,200	-	19,63,200	9.70%	-
Rushil Industries Limited	15,76,000	-	15,76,000	7.79%	-
Chetan M Tamboli (HUF)	8,35,320	-	83,5320	4.13%	-
Mrs. Hansa M Tamboli	1,120	-	1,120	0.01%	-
<b>Total</b>	<b>89,24,540</b>	<b>3,99,606</b>	<b>93,24,146</b>	<b>46.07%</b>	<b>4.48%</b>

As at 31st March, 2021

(INR in Lakhs)

Name of promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Shri Chetan M Tamboli	31,19,420	2,00,000	33,19,420	16.40%	6.41%
Mrs. Manali C Tamboli	10,29,480	2,00,000	12,29,480	6.07%	19.43%
Tamboli Trading LLP (Formerly known as Tamboli Investments Pvt. Ltd.)	19,63,200	-	19,63,200	9.70%	-
Rushil Industries Limited	15,76,000	-	15,76,000	7.79%	-
Chetan M Tamboli (HUF)	8,35,320	-	8,35,320	4.13%	-
Mrs. Hansa M Tamboli	1,120	-	1,120	0.01%	-
<b>Total</b>	<b>85,24,540</b>	<b>4,00,000</b>	<b>89,24,540</b>	<b>44.09%</b>	<b>4.69%</b>

## Notes to financial statements for the year ended 31st March, 2022

### 18 Equity Share Capital(contd.)

- G** During the year ended 31st March 2022, the Company paid the final dividend of INR 27,324,000 (INR 1.35 per Equity Share) for the year ended 31st March 2021 and the Company also paid the Interim dividend of INR 27,324,000 (INR 1.35 per Equity Share) for the financial year 2021-22.
- H** On 18th May 2022, the Board of Directors has recommended the final dividend of INR 1.80 per Equity Share on the Fully Paid Share Capital for the year ended 31st March 2022 subject to approval from Shareholders. On approval, the total dividend payment based on number of shares outstanding as on 31st March 2022 is expected to be INR 364.32 Lakhs.

19 Other Equity	(INR in Lakhs)
<b>Securities Premium</b>	
As at 31st March, 2021	1,916.18
Increase/(Decrease) during the year	-
<b>As at 31st March, 2022</b>	<b>1,916.18</b>
<b>Capital Reserve</b>	
As at 31st March, 2021	4.67
Increase/(Decrease) during the year	-
<b>As at 31st March, 2022</b>	<b>4.67</b>
<b>General Reserve</b>	
As at 31st March, 2021	5,797.79
Increase/(Decrease) during the year	-
<b>As at 31st March, 2022</b>	<b>5,797.79</b>
<b>Retained Earnings</b>	
As at 31st March, 2020	3,058.68
Add / (Less): Profit / (Loss) during the year	1,202.12
Add / (Less): Other Comprehensive Income	7.37
(Less): Appropriations	
Dividend on Equity Shares	(121.44)
<b>As at 31st March, 2021</b>	<b>4,146.74</b>
Add / (Less): Profit / (Loss) during the year	3,327.19
Add / (Less): Other Comprehensive Income	(2.66)
(Less): Appropriations	
Dividend on Equity Shares	(546.48)
<b>As at 31st March, 2022</b>	<b>6,924.78</b>

**Securities Premium** – Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to “Securities Premium Reserve”. The Company may issue fully paid-up bonus shares to its members out of the securities premium reserve and the Company can use this reserve for buy-back of shares.

**Capital Reserve** - It represents gain of capital nature which mainly includes gain on reissue of forfeited shares.

**General Reserve** - General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend and issue of fully paid-up and not paid-up bonus shares.

**Retained Earnings** - Retained Earnings are the profits that the Company has earned till date, less any transfers to General reserve and payment of dividend.

## Notes to financial statements for the year ended 31st March, 2022

### 20 Long-Term Borrowings

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
<b>Secured</b>		
Term Loans:		
From Banks (Foreign Currency Accounts)	-	-
From Banks (Indian Rupee Accounts)	-	883.98
From Financial Institutions (Indian Rupee Accounts)	-	927.05
<b>Unsecured</b>		
Intercorporate Loan	-	-
Loan from Promoters	-	-
	-	<b>1,811.02</b>
<b>Current Maturity of Long Term borrowings clubbed under "Current Financial Liabilities" (Note 26)</b>		
Term Loans:		
From Banks (Foreign Currency Accounts)	-	-
From Banks (Indian Rupee Accounts)	-	-
From Financial Institutions (Indian Rupee Accounts)*	-	927.05
	-	<b>927.05</b>
<b>Total Non-Current Borrowings</b>	<b>-</b>	<b>883.98</b>
<b>The above amount includes -</b>		
Secured Borrowings	-	883.98
Unsecured Borrowings	-	-

\* Note: Rs.0.00 Lakhs (Previous Year Rs.6.45 Lacs) pertaining to Unamortise Loan Processing Charge is net from term loans due within 1 Year.

#### a) Rate of Interest & Terms of Repayment

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021	Rate of Interest	Repayment Terms for Loans Outstanding as on 31st March, 2022
<b>Term Loans</b>				
<b>From Banks (Indian Rupee Accounts):</b>				
"From Financial Institutions (Indian Rupee accounts)"				
Tata Capital Financial Services Limited				
a. Term Loan-I	-	153.32	Long Term Lending Rate less 5.25% pa	Loans fully repaid during the FY 2020-21 & 2021-22.
b. Term Loan-II	-	-		
c. Term Loan-III	-	289.19	Long Term Lending Rate less 8.25% pa on Rs 10 Cr TL-1 and 8.00% pa on Rs 7.35 Cr TL-2	Loan fully repaid during the FY 2021-22.
Standard Chartered Bank	-	18.90	7.5% pa Fixed interest	
Aditya Birla Finance Limited	-	472.09	Long Term Lending Rate less 6.60% pa	Loan fully repaid during the FY 2021-22.

## Notes to financial statements for the year ended 31st March, 2022

### 20 Long-Term Borrowings (contd.)

#### b) Nature of security

- i. Term loans from Tata Capital Financial Services Ltd were secured against first pari passu charge on gross block of the fixed assets (excluding Plant & Machinery charged to Caterpillar India Pvt. Ltd) and second charge on current assets of the Company and further guaranteed by one of the directors.
- ii. Term loan form Aditya Birla Finance Limited was exclusively secured through mortgage on certain residential properties.
- iii. Working capital term loans under the Emergency Credit Line Guarantee Scheme (ECLGS 2.0) from Standard Chartered Bank were secured against second pari passu charge on gross block of the fixed assets (excluding Plant & Machinery charged to Caterpillar India Pvt. Ltd & residential flats of the company) and on current assets of the Company.
- iv. There is no term lender as on 31.03.2022 to claim 1st pari pasu charge on gross block of the fixed assets.

### 21 Non-Current Provisions

(INR in Lakhs)

	31st March, 2022	31st March, 2021
<b>Provision for Employee Benefits</b>		
Provision for Leave Encashment	105.30	109.71
Provision for Gratuity	-	15.68
<b>Total</b>	<b>105.30</b>	<b>125.39</b>

### 22 Deferred Tax Liabilities

The income tax expense consists of the following for the years ended 31st March, 2022 and 31st March, 2021:

(INR in Lakhs)

Statement of Profit and Loss:	31st March, 2022	31st March, 2021
<b>Profit or Loss Section</b>		
<b>Current Income Tax:</b>		
Current Income Tax charge	1,327.95	538.14
Adjustments in respect of current Income Tax of previous year	(15.97)	6.74
<b>Deferred Tax:</b>		
Relating to origination and reversal of temporary differences	(166.20)	(97.27)
Relating to changes in tax rates	-	(130.31)
<b>Income tax expense reported in profit or loss section</b>	<b>1,145.77</b>	<b>317.30</b>

#### Other Comprehensive Income (OCI) Section

Deferred Tax related to items recognised in OCI during in the year:

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Deferred Tax Liability/(Asset) on Net Loss/(Gain) on Remeasurements of Defined Benefit Plans	(1.03)	2.42
<b>Total</b>	<b>(1.03)</b>	<b>2.42</b>

#### Reconciliation of Deferred Tax Liability, Net

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Opening Balance as of April 1	838.99	1,064.14
Tax (income)/expense during the period recognised in Profit or Loss	(166.20)	(227.58)
Tax (income)/expense during the period recognised in OCI	(1.03)	2.42
<b>Closing Balance as at March 31</b>	<b>671.76</b>	<b>838.99</b>

## Notes to financial statements for the year ended 31st March, 2022

### 22 Deferred Tax Liabilities (contd.)

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Deferred Tax Liabilities (Net)	671.76	838.99
MAT Credit Entitlement Receivable*	-	-
<b>Total</b>	<b>671.76</b>	<b>838.99</b>

"Pursuant to The Taxation Laws (Amendment) Act, 2019 dated December 02, 2019, the Company had decided to avail the option under section 115BAA of lower rate of income tax @ 22.00 % (Basic Income Tax rate 22.00 % + Surcharge 10.00 % + Health & education cess 4.00 %, total gross rate 25.168 %) from the financial year 2020-21.

\* During the financial year 2020-21 the Company written off MAT credit entitlement receivable amount INR 44.98 Lakhs i.e. closing balance of financial year 2019-20."

### 23 Other Liabilities

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
<b>Contract liabilities</b>		
-Advances from Customers	-	203.26
<b>Total</b>	<b>-</b>	<b>203.26</b>

### 24 Short-Term Borrowings

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
<b>Secured</b>		
Loans Repayable on Demand		
-Working Capital Finance from Banks (in Rupee Accounts) (1)	6,279.86	499.99
Current Maturities of Long-Term Borrowings (Note 20)	-	927.05
<b>Total</b>	<b>6,279.86</b>	<b>1,427.04</b>

#### Notes:

(1) Working Capital Finance (in Rupee Accounts) is secured against first pari passu charge on inventory and book debts and second charge on gross block of fixed assets of the Company and further guaranteed by one of the Directors. These loans are repayable on demand. These working capital borrowings carry interest rate ranging from 2.40% (considering interest subvention/subsidy) to 9.75%.

(2) The quarterly returns and statements of current assets filed by the Company with banks with respect to the working capital loan taken from banks are in agreement with the books of accounts.

### 25 Trade Payable:

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
<b>Trade Payable</b>		
(a) Total outstanding dues of Micro Enterprises and Small Enterprises; and	-	-
(b) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises.	3,568.71	1,401.49
<b>Total</b>	<b>3,568.71</b>	<b>1,401.49</b>

#### Note:

#### DUES TO MICRO AND SMALL ENTERPRISES

The Company does not have dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). There are no disclosures pursuant to the said MSMED Act to mention herein.

## Notes to financial statements for the year ended 31st March, 2022

### 25 Trade Payable: (contd.)

Disclosure of payable to vendors as defined under the “Micro, Small and Medium Enterprise Development Act, 2006” is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

#### Trade payables Ageing Schedule

As at 31st March, 2022

(INR in Lakhs)

Particulars	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	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,568.71	-	-	-	-	3,568.71
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>3,568.71</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,568.71</b>

As at 31st March, 2021

(INR in Lakhs)

Particulars	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	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,401.49	-	-	-	-	1,401.49
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>1,401.49</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,401.49</b>

### 26 Other Financial Liabilities

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Interest Accrued but not due on Borrowings	-	5.92
Payable to Employees	295.19	211.80
Unclaimed Dividend	14.23	11.19
Payable for Capital Goods	401.04	144.59
Directors Commission Payable	234.65	51.68
Other Financial Liabilities	126.84	365.01
	<b>1,071.95</b>	<b>790.20</b>

## 27 Current Provisions

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
<b>Provision for Employee Benefits</b>		
Provision for Leave Encachment	16.71	15.86
Provision for Gratuity	92.01	76.74
<b>Total</b>	<b>108.72</b>	<b>92.60</b>

## 28 Current Tax Liabilities (Net)

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Income Tax Liability (Net of Advance Taxes Paid)	26.11	10.20
<b>Total</b>	<b>26.11</b>	<b>10.20</b>

## 29 Other Liabilities

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Contract Liabilities:		
- Advance from Customers	37.77	451.70
Statutory Liabilities	78.67	90.84
Others Liabilities	0.18	31.22
<b>Total</b>	<b>116.62</b>	<b>573.77</b>

### Break up of Financial Liabilities carried at Amortised Cost

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Borrowings (Note 20 & 24)	6,279.86	2,311.02
Trade Payable (Note 25)	3,568.71	1,401.49
Other Financial Liabilities (excluding Derivative Instruments) (Note 26)	1,071.95	790.20
<b>Total</b>	<b>10,920.52</b>	<b>4,502.71</b>

## 30 Liabilities directly associated with Assets Classified as Held for Sale

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Advance received against Assets Classified as Held for Sale	-	1.00
<b>Total</b>	<b>-</b>	<b>1.00</b>

## 31 Revenue from Operations

(INR in Lakhs)

Particulars	2021-22	2020-21
<b>Sale of Goods</b>		
Export Sale	16,496.16	7,212.43
Domestic Sale	13,171.82	8,086.14
<b>Other Operating Income</b>		
Export Incentives & Credits	328.21	438.70
Foreign Currency Fluctuation Gain/(Loss)	207.83	35.71
<b>Total</b>	<b>30,204.02</b>	<b>15,772.98</b>

## Notes to financial statements for the year ended 31st March, 2022

### 31 Revenue from Operations (contd.)

Disaggregated revenue information*		(INR in Lakhs)
Particulars	2021-22	2020-21
Steel Castings	29,667.98	15,298.58
<b>Total revenue from contracts with customers</b>	<b>29,667.98</b>	<b>15,298.58</b>

\* The Company deals in a single category of product i.e. steel castings.

		(INR in Lakhs)
Particulars	2021-22	2020-21
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	29,667.98	15,298.58
Services transferred over time	-	-
<b>Total revenue from contracts with customers</b>	<b>29,667.98</b>	<b>15,298.58</b>

Contract balances		(INR in Lakhs)
Particulars	31st March, 2022	31st March, 2021
Trade receivables	7,516.10	5,137.00
Contract liabilities	37.77	654.96

Trade receivables are non-interest bearing and are generally on terms of 30 to 145 days. The increase / decrease in trade receivables is on account of realisation of previous year outstanding of receivables and unrealised amount of current year outstanding of receivables against new sales.

Contract liabilities include advances received from customer for supply of goods. The increase / decrease in trade receivables is on account of supply of goods against previous year advances received and receipt of new advances during the year for supply of goods.

#### Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Revenue as per contracted price	29,691.41	15,478.59
Adjustments:		
Sales return	23.41	176.69
Discounts	0.01	3.32
<b>Revenue from contract with customers</b>	<b>29,667.98</b>	<b>15,298.58</b>

#### Performance obligation

Revenue from sale of goods is recognised at the point in time when control of the assets is transferred to the customer, generally on the delivery of the equipment. Some contract provides customers with a right of return and rebate which gives right to variable considerations subject to constraint.

## Notes to financial statements for the year ended 31st March, 2022

### 32 Other Income

(INR in Lakhs)

Particulars	2021-22	2020-21
Dividend Income from Investments measured at FVTOCI	0.01	-
Interest Receipts	10.46	59.21
Insurance claim Receipts	2.52	0.20
Profit on Sale of Fixed Assets (net)	17.48	48.34
Sundry Balances Written Back	1.09	9.87
Bad Debts Recovered	-	31.40
<b>Total</b>	<b>31.55</b>	<b>149.02</b>

### 33 Cost of Materials Consumed

(INR in Lakhs)

Particulars	2021-22	2020-21
<b>Raw Materials Consumed</b>		
Stock at the beginning of the year	280.45	218.61
<b>Add : Purchases and Direct Expenses*</b>	9,852.46	3,691.03
	10,132.90	3,909.64
<b>Less : Stock at the end of the year</b>	637.88	280.45
<b>Total</b>	<b>9,495.02</b>	<b>3,629.19</b>

#### Notes:

\* The sales proceeds received from miscellaneous sales are adjusted in purchase cost of raw materials & stores & spares expenses as applicable.

### 34 Changes in Inventories of Finished Goods and Work-in-Progress

(INR in Lakhs)

Particulars	2021-22	2020-21
<b>Stock at the beginning of the year</b>		
Finished Goods	94.57	333.72
Work-in-Progress	1,645.69	1,172.90
	<b>1,740.27</b>	<b>1,506.62</b>
<b>Stock at the end of the year</b>		
Finished Goods	71.83	94.57
Work-in-Progress	4,362.36	1,645.69
	<b>4,434.19</b>	<b>1,740.27</b>
<b>Total</b>	<b>(2,693.92)</b>	<b>(233.65)</b>

### 35 Employee Benefits Expenses

(INR in Lakhs)

Particulars	2021-22	2020-21
Salaries, Wages, Allowances and Bonus	2,513.12	1,758.42
Contribution to Employee Benefit Funds	146.17	112.25
Gratuity Expenses	48.02	44.96
Staff Welfare Expenses	129.05	69.82
<b>Total</b>	<b>2,836.36</b>	<b>1,985.44</b>

## Notes to financial statements for the year ended 31st March, 2022

### 36 Finance Costs

(INR in Lakhs)

Particulars	2021-22	2020-21
<b>Interest Expenses on:</b>		
Working Capital Finance	35.00	102.54
Term Loan	103.64	233.08
Others	-	0.76
Other Borrowing Cost	17.37	22.63
<b>Total</b>	<b>156.02</b>	<b>359.01</b>

### 37 Other Expenses

(INR in Lakhs)

Particulars	2021-22	2020-21
<b>Manufacturing Expenses:</b>	<b>13,246.44</b>	<b>6,554.95</b>
Power, Fuel & Water Charges	4,948.99	2,521.28
Machinery Repairs and Maintenance	173.75	97.63
Stores & Spares Consumption	4,852.81	2,074.92
Other Manufacturing Expenses	3,270.89	1,861.11
<b>Selling &amp; Distribution Expenses:</b>	<b>547.85</b>	<b>373.11</b>
Sales Commission	220.54	49.99
Export Freight & Insurance	10.77	65.14
Sales Promotion Expenses	11.32	9.05
Export Market Development Expenses	2.32	-
Other Selling Expenses	302.90	248.93
<b>Administrative Expenses:</b>	<b>403.25</b>	<b>307.70</b>
Travelling Expenses	22.27	12.19
Rates & Taxes	15.98	16.92
Insurance Premium	27.23	27.39
Building and Other Repairs	29.33	20.46
Advertisement Expenses	5.62	1.40
Directors' Setting Fees	10.00	8.40
Legal & Professional Fees	89.98	73.98
Payment to Auditors*	10.49	8.08
Bank Discount, Commission and Other Charges	21.38	21.23
Donations	-	1.00
Sundry Balances Written Off	4.08	(0.64)
Corporate Social Responsibility Expenses	45.23	50.84
Provision for Impairment of Trade Receivables	2.69	(26.67)
General Expenses	118.96	93.12
<b>Total</b>	<b>14,197.54</b>	<b>7,235.75</b>

#### \*Payments to the Auditor:

(INR in Lakhs)

Particulars	2021-22	2020-21
Audit Fees	5.16	4.80
In other capacity (Including Quarterly Limited Review Fees, Tax Audit fees & various certificates)	5.33	3.28
<b>Total</b>	<b>10.49</b>	<b>8.08</b>

## Notes to financial statements for the year ended 31st March, 2022

### 38 Exceptional Items

(INR in Lakhs)

Particulars	2021-22	2020-21
No item to report under this category	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### 39 Earnings Per Share (EPS)

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Face Value Per Share (INR)	5.00	5.00
Weighted Average number of Equity Shares outstanding during the year	20,240,000	20,240,000
Profit After Tax (INR in Lakhs)	3,327.19	1,202.12
<b>Basic and Diluted Earnings Per Share (INR)</b>	<b>16.44</b>	<b>5.94</b>

### 40 Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

#### Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### Employee Benefit Plans

The cost of defined benefit gratuity plan and other long-term employment benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 41.

#### Taxes

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Details on current taxes are disclosed in Note 22.

#### Useful Lives of Property, Plant & Equipment

The Company reviews the useful life of property, plant & equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

## Notes to financial statements for the year ended 31st March, 2022

### 40 Significant Accounting Judgements, Estimates and Assumptions (contd.)

#### Impairment of Financial Assets

The impairment provision for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Estimated impairment allowance on trade receivables is based on the ageing of the receivable balances and historical experiences. Individual trade receivables are written off when management deems them not to be collectible.

#### Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are recognised 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 the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

### 41 Employee Benefit

#### Defined Benefit Plans

The Company has defined benefits gratuity plan. Every employee who has completed five years or more of service gets gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed years of service. The Company's Gratuity Fund is managed by Life Insurance Corporation of India.

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet.

	(INR in Lakhs)	
Particulars	2021-22	2020-21
<b>(a) Gratuity Cost Recognized in the Statement of Profit and Loss</b>		
Current Service Cost	40.01	40.04
Net Interest Cost	33.60	32.77
Net Gratuity Cost recognized in the Statement of Profit and Loss	<b>73.61</b>	<b>72.81</b>

	(INR in Lakhs)	
<b>(b) Gratuity Cost recognized in the Other Comprehensive Income (OCI)</b>		
Return on plan assets, excluding Interest Income	2.06	2.60
Actuarial changes arising from experience adjustments	53.68	(28.83)
Actuarial changes arising from changes in financial assumptions	(51.67)	16.61
Actuarial changes arising from changes in demographic assumptions	0.01	-
Net (income) / expense for the period recognized in OCI	<b>4.08</b>	<b>(9.61)</b>

## Notes to financial statements for the year ended 31st March, 2022

### 41 Employee Benefit (contd.)

	(INR in Lakhs)	
<b>(c) Movements in the Present Value of the Defined Benefit Obligation</b>		
Obligation at the beginning of the year	484.89	480.51
Current Service Cost	40.01	40.04
Interest Cost	33.60	32.77
Benefits Paid	(73.11)	(56.23)
Experience adjustments	53.68	(28.83)
Actuarial changes arising from changes in financial assumptions	(51.67)	16.61
Actuarial changes arising from changes in demographic assumptions	0.01	-
Obligation at the end of the year	<b>487.41</b>	<b>484.89</b>

	(INR in Lakhs)	
<b>(d) Movements in the Fair Value of the Plan Assets:</b>		
Plan assets at the beginning of the year, at fair value	392.47	408.44
Interest Income	27.20	27.86
Contributions by the Employer	50.90	15.00
Benefits Paid	(73.11)	(56.23)
Return on plan assets, excluding interest income	(2.06)	(2.60)
Plan assets at the end of the year, at fair value	<b>395.39</b>	<b>392.47</b>
Actual return on Plan Assets	25.14	25.25
Plan Asset/(liability)	(92.01)	(92.42)

The major categories of plan assets of the fair value of the total plan assets are as follows:

	31st March, 2022	31st March, 2021
	%	%
Insurance Fund	100.00	100.00
	<b>100.00</b>	<b>100.00</b>

The principal assumptions used in determining Gratuity and post-employment Medical Benefit Obligations for the Company's plans are shown below:

	31st March, 2022	31st March, 2021
	%	%
Discount Rate	6.93	6.82
Salary Escalation	3.75	3.75
Attrition Rate	1.00	1.00

## Notes to financial statements for the year ended 31st March, 2022

### 41 Employee Benefit (contd.)

Sensitivity Analysis :	31st March, 2022	31st March, 2021
Projected Benefit Obligation on Current Assumptions	487.41	484.89
Delta Effect of +1% Change in Rate of Discounting	(39.18)	(39.80)
Delta Effect of -1% Change in Rate of Discounting	46.98	47.88
Delta Effect of +1% Change in Rate of Salary Increase	47.00	47.48
Delta Effect of -1% Change in Rate of Salary Increase	(39.88)	(40.21)
Delta Effect of +1% Change in Rate of Employee Turnover	2.60	(0.67)
Delta Effect of -1% Change in Rate of Employee Turnover	(3.11)	0.72

Projected Benefits Payable (from fund) in Future Years From the Date of Reporting	31st March, 2022	31st March, 2021
1st Following Year	122.95	125.58
2nd Following Year	15.13	17.95
3rd Following Year	17.14	18.69
4th Following Year	32.93	22.06
5th Following Year	29.28	30.88
Sum of Years 6 To 10	152.70	144.63
Sum of Years 11 and above	841.32	792.91

The average duration of the Projected Benefit Obligation at the end of the reporting period is 11 years (31st March, 2021: 11 years).

### 42 Commitments and Contingencies

#### a. Leases

##### Company as Lessee

The Company has taken land for its Bhavnagar factory on lease for 30 years. Upon expiry, the Company also has an option to renew the said lease for another period of 30 years.

#### b. Commitments

##### Estimated amount of contracts remaining to be executed on capital account and not provided for:

The Company has entered into various contracts with suppliers and contractors for the acquisition of plant and machinery, equipment and various civil contracts of capital nature amounting to INR 221.61 Lakhs, (2020-21: INR 345.35 lakhs).

#### c. Contingent Liabilities

(to the extent not provided for)

Particulars	31st March, 2022	31st March, 2021
Renewal Power Purchase Obligation (Note No. ii)	65.40	37.83
In respect of other matters	1.80	1.80
<b>Total</b>	<b>67.20</b>	<b>39.63</b>

#### Note:

- (i) In the year of 2010 the company purchased a plot of land having city survey no. 302, admeasuring 22,325.59 sq. mtrs, identified in company's record as Plot no. F-26, from a private party and acquired the lease rights thereon. The relevant transfer of the property and lease rights thereon was accepted by Bhavnagar Municipal Corporation (BMC) and taken on their record. Subsequently, the Collector of Bhavnagar District intervened and passed an order holding the transfer of the property to the company to be invalid. The company then went in appeal to the High Court of Gujarat and the Honourable High Court was pleased to stay the order of the Collector. The company is confident of ultimately winning the case on merits and does not foresee any adverse consequences and or liability in this regard. There have been no progress for disposal of the case in High Court due to COVID-19 during last 2 years.

## Notes to financial statements for the year ended 31st March, 2022

### 42 Commitments and Contingencies (contd.)

- (ii) The company uses energy generated from conventional sources and as per Electricity Act 2003 and Gujarat Electricity Regulatory Commission regulations, the company is cast upon obligation to purchase Renewal Energy Certificate(REC) for meeting renewal power purchase obligation determined in the regulations from Central Electricity Regulatory Commission. The regulations are effective since 2015-16 and matter is sub-judice and awaiting clarification from power distribution Companies for its enforcement and applicability period. The amount of Rs 65.40 Lacs is arrived at as per rate mentioned at Indian Energy Exchange(IEX) in the month of March-2022.

### 43 Related Party Transactions

#### A. Name of Related Parties

Relation	
i Key Managerial Personnel & their Relative	Shri Chetan M Tamboli -Chairman & Managing Director
	Shri Rushil C Tamboli -Whole Time Director**
	Ms. Vidhi C Tamboli - Daughter of Managing Director @
	Shri Subhash R Sharma -Chief Financial Officer
	Shri Mahesh L Purohit - Company Secretary#
	Shri Umesh V Bhatt - Company Secretary*
ii Entities controlled by Key Managerial Personnel	Shri F. P. Tamboli Charitable Trust
	Steelcast Education Trust

#### B. Transactions with Related Parties

(INR in Lakhs)

Particulars	2021-22	2020-21
<b>Remuneration</b>		
<b>Key Managerial Personnel</b>		
Shri Chetan M Tamboli	36.45	33.22
Shri Rushil C Tamboli	18.48	16.75
Ms. Vidhi C Tamboli	-	3.65
Shri Subhash R Sharma	21.82	17.67
Shri Mahesh Purohit	2.52	4.04
Shri Umesh V Bhatt	3.80	-
<b>Commission</b>		
<b>Key Managerial Personnel</b>		
Shri Chetan M Tamboli	187.21	35.32
Shri Rushil C Tamboli	47.43	16.36
<b>Sitting Fees</b>		
<b>Key Managerial Personnel</b>		
Ms. Vidhi C Tamboli	1.50	0.30
<b>Medical Exp. Reimbursement</b>		
<b>Key Managerial Personnel</b>		
Shri Chetan M Tamboli	2.73	1.18

## Notes to financial statements for the year ended 31st March, 2022

### 43 Related Party Transactions (contd.)

Particulars	2021-22	2020-21
<b>Leave Travel Concession Reimbursement</b>		
<b>Key Managerial Personnel</b>		
Shri Chetan M Tamboli	-	2.57
<b>C S R Contribution</b>		
<b>Entities controlled by Key Managerial Personnel</b>		
Shri F. P. Tamboli Charitable Trust	15.00	-
Steelcast Education Trust	5.75	-

@ change in Directorship from Whole Time Director to Non-Executive Non-Independent Director w.e.f December 1, 2020.

# Resigned from the Company w.e.f November 14, 2021

\* Joined the Company w.e.f. September 1, 2021

\*\* Change in Directorship from Whole Time Director to Non-Executive Non-Independent Director w.e.f 01 April 2022.

Particulars	(INR in Lakhs)	
	31st March, 2022	31st March, 2021
<b>Balance payable at year end</b>		
<b>Remuneration and Commission payable</b>		
<b>Key Managerial Personnel</b>		
Shri Chetan M Tamboli	188.56	35.90
Shri Rushil C Tamboli	48.66	17.66
Shri Subhash R Sharma	0.73	0.56
Shri Mahesh L Purohit	-	0.38
Shri Umesh V Bhatt	0.51	-

#### Terms and Conditions of Transactions with Related Parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Particulars	(INR in Lakhs)	
	2021-22	2020-21
<b>Compensation of Key Management Personnel of the Company</b>		
Short-Term Employee Benefits	316.36	126.13
Post-Employment Benefits Plans***	5.58	4.92
<b>Total Compensation paid to Key Management Personnel</b>	<b>321.94</b>	<b>131.05</b>

\*\*\* This do not include the provisions made for gratuity as it is determined on an actuarial basis for the Company as a whole. Similarly, provision for leave encashment are not included in the above table as the same is also determined on an actuarial basis for the Company as a whole.

### 44 Segment Information:

#### a Basis for Segmentation

The Company's senior management consisting of Chief Executive Officer, Directors, Chief Financial Officer, Company Secretary and Managers one level below the Director, examines the company's performance on the basis of single segment namely Castings Manufacturing business. Hence, the Company has only one operating segment under Ind AS 108 'Operating Segments' i.e. Castings Manufacturing business.

## Notes to financial statements for the year ended 31st March, 2022

### 44 Segment Information: (contd.)

#### b Geographical Information

The geographical information have been identified based on revenue within India (sales to customers with in India) and revenue outside India (sales to customers located outside India). The following table presents geographical information regarding the Company's revenue:

Particulars	(INR in Lakhs)	
	2021-22	2020-21
India	13,171.82	8,086.14
Outside India	17,032.20	7,686.84
<b>Total</b>	<b>30,204.02</b>	<b>15,772.98</b>

All the Non-current assets (excluding financial instruments) are located in India only.

#### c Major Customers

Following is the details of customers which individually contribute more than 10% of Company's revenue

Particulars	(INR in Lakhs)	
	2021-22	2020-21
Customer 1	11,674.00	5,411.92
Customer 2	11,545.00	3,878.52
Customer 3	3,901.00	3,668.75

### 45 Changes in Liabilities arising from Financing Activities.

Particulars	April 1, 2021	Cash Flows	Foreign Exchange Management	Others	31st March, 2022
Current borrowings	-	-	-	-	-
Non-current borrowings	1,811.02	(1,811.02)	-	-	-
<b>Total</b>	<b>1,811.02</b>	<b>(1,811.02)</b>	<b>-</b>	<b>-</b>	<b>-</b>

Particulars	April 1, 2021	Cash Flows	Foreign Exchange Management	Others	31st March, 2021
Current borrowings	-	-	-	-	-
Non-current borrowings	2,732.86	(921.83)	-	-	1,811.02
<b>Total</b>	<b>2,732.86</b>	<b>(921.83)</b>	<b>-</b>	<b>-</b>	<b>1,811.02</b>

### 46 Fair Values

The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The management assessed that the carrying amounts of its financial instruments are reasonable approximations of fair values.

### 47 Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the

## Notes to financial statements for the year ended 31st March, 2022

### 47 Financial Risk Management Objectives and Policies (contd.)

Company's policies and risk objectives. The Company's financial risk management policies are set by the Board of Directors. All derivative activities for risk management purposes are carried out by teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### Market Risk

Previous year figures have been recast/restated wherever necessary.

The sensitivity analyses in the following sections relate to the position as at 31st March, 2022 and 31st March, 2021.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March, 2022 and 31st March, 2021.

#### Interest Rate Risk

The Company's exposure to changes in interest rates relates primarily to the Company's outstanding floating rate debt. All the borrowing of the Company are at floating rate of interest.

#### Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(INR in Lakhs)		
Particulars	Increase/ Decrease in Basis Points	Effect on Profit Before Tax
<b>As at 31st March, 2022</b>		
	+50	(31.40)
	-50	31.40
<b>As at 31st March, 2021</b>		
	+50	(16.19)
	-50	16.19

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

#### Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). To mitigate the foreign currency risk, the Company enters into foreign exchange forward contracts. These foreign exchange forward contracts, carried at fair value, may have varying maturities varying depending upon the primary host contract requirements and risk management strategy of the Company.

The most significant foreign currencies the Company is exposed to is the USD and EURO. The following tables sets forth information relating to foreign currency forward contracts and unhedged foreign currency exposures as at 31st March, 2022 and 31st March, 2021.

#### (a) Forward Contracts Outstanding as at the Reporting Date (in respective currency)

The company did not execute any forward contracts during the FY 2021-22.(previous year: INR Nil lakhs).

## Notes to financial statements for the year ended 31st March, 2022

### 47 Financial Risk Management Objectives and Policies (contd.)

#### (b) Particulars of Unhedged Foreign Currency Exposure as at the Reporting Date

##### Amount as at 31st March, 2022

Particulars of Transactions	Currency	Foreign Currency	INR in Lakhs
Export Trade Receivable	USD	30,11,386	2,282.48
Export Trade Receivable	EURO	11,25,257	947.61
Import payment	USD	-	-
Foreign currency borrowings	EURO	-	-

##### Amount as at 31st March, 2021

Particulars of Transactions	Currency	Foreign Currency	INR in Lakhs
Export Trade Receivable	USD	24,86,600	1,824.67
Export Trade Receivable	EURO	2,56,253	220.30
Import payment	USD	-	-
Foreign currency borrowings	EURO	-	-

#### Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of unhedged foreign currency monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

(INR in Lakhs)

Particulars	Change in USD Rate	Effect on Profit Before Tax
<b>As at 31st March, 2022</b>		
	+5%	114.12
	-5%	(114.12)
<b>As at 31st March, 2021</b>		
	+5%	91.23
	-5%	(91.23)

Particulars	Change in EURO Rate	Effect on Profit Before Tax
<b>As at 31st March, 2022</b>		
	+5%	47.38
	-5%	(47.38)
<b>As at 31st March, 2021</b>		
	+5%	11.01
	-5%	(11.01)

#### Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and foreign exchange transactions.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

## Notes to financial statements for the year ended 31st March, 2022

### 47 Financial Risk Management Objectives and Policies (contd.)

#### I) Trade Receivables

Customer credit risk is managed on the basis of the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 30 days to 145 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.

For trade receivables, Expected Credit Loss (ECL) is provided as per simplified approach. The Company has applied the practical expedient as per Ind AS 109 'Financial Instruments' to measure the loss allowance at lifetime ECL. The Company determines the ECL on trade receivables by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Below table represents the reconciliation of provision made for expected credit loss for trade receivables:

(INR in Lakhs)		
Particulars	31st March, 2022	31st March, 2021
Opening Balance	0.04	26.71
Changes in Loss Allowance:		
Impairment Allowance based on ECL	2.69	(26.67)
Utilised during the year		
<b>Closing Balance</b>	<b>2.73</b>	<b>0.04</b>

#### II) Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties who meets the minimum threshold requirements under the counterparty risk assessment process. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties.

#### Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligation on time or at a reasonable price. Processes and policies related to such risks are overseen by senior management. The Company regularly monitors the rolling forecasts and actual cashflows, to ensure it has sufficient funds to meet the operational needs.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(INR in Lakhs)			
Particulars	Payable within 0-12 months	More than 12 months	Total
<b>As at 31st March, 2022</b>			
Borrowings including current maturities (Note 20, 24 & 26)	6,279.86	-	6,279.86
Trade Payable (Note 25)	3,568.71	-	3,568.71
Other financial liabilities (Note 26)	1,071.95	-	1,071.95
<b>Total</b>	<b>10,920.52</b>	<b>-</b>	<b>10,920.52</b>

## Notes to financial statements for the year ended 31st March, 2022

### 47 Financial Risk Management Objectives and Policies (contd.)

(INR in Lakhs)

Particulars	Payable within 0-12 months	More than 12 months	Total
<b>As at 31st March, 2021</b>			
Borrowings including current maturities (Note 20, 24 & 26)	1,427.04	883.98	2,311.02
Trade Payable (Note 25)	1,401.49	-	1,401.49
Other financial liabilities (Note 26)	790.20	-	790.20
<b>Total</b>	<b>3,618.74</b>	<b>883.98</b>	<b>4,502.71</b>

### 48 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing borrowings (including current maturities), trade payables, less cash and cash equivalents and other bank balances.

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Borrowings including current maturities (Note 20, 24 & 26)	6,279.86	2,311.02
Trade Payable (Note 25)	3,568.71	1,401.49
Less: Cash and Cash Equivalents (Note 12)	(11.69)	(6.61)
Less: Other Bank Balances (Note 13)	(200.31)	(139.45)
<b>Net Debt</b>	<b>9,636.58</b>	<b>3,566.45</b>

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Equity	15,655.41	12,877.37
Total Capital	15,655.41	12,877.37
<b>Capital and Net Debt</b>	<b>25,292.00</b>	<b>16,443.82</b>
Gearing Ratio	38.10%	21.69%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2022 and 31st March, 2021.

### 49 Research & Development Expenditure

The total amount of Research & Development Expenditure charged to profit and loss during the year is INR 291.10 lakhs (previous year: INR 203.04 lakhs).

## Notes to financial statements

for the year ended 31st March, 2022

### 50 Ratio Analysis and its elements

Sr. No.	Ratio	Numerator	Denominator	31st March, 2022	31st March, 2021	% change	Reason for variance
1	Current ratio	Current Assets	Current Liabilities	1.35	1.92	(29.95)	The ratio deteriorated due to increase in current liabilities on account of higher usage of working capital for increased volumes.
2	Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.40	0.18	(123.52)	The ratio deteriorated due to increase in short term borrowings on account of higher usage of working capital for increased volumes.
3	Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Interest + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	2.72	2.45	11.05	The improvement in ratio is on account of increase in net profits & depreciation despite premature repayment of term loans.
4	Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	23.30%	9.81%	137.63	The improvement in ratio is on account of better financial & operational performance as compared to previous year.
5	Inventory Turnover ratio	Cost of goods sold	Average Inventory	5.91	5.90	0.13	Marginal change in the ratio as inventory and turnover increased in tendum.
6	Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	4.77	3.96	20.62	The ratio improved due to corresponding turnover increased compared to previous year.
7	Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	3.96	3.02	(31.37)	The ratio deteriorated due to higher production volumes as compared to previous year.
8	Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	7.77	3.97	95.63	The ratio improved due to higher turnover and constant net working capital
9	Net Profit ratio	Net Profit	Net sales = Total sales - sales return	11.01%	7.67%	43.54	The overall improvement in the ratio is due to higher profit margins.
10	Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Long Term Debt + Deferred Tax Liability	28.35%	13.17%	115.21	The overall improvement in the ratio is due to higher profit margins.
11	Return on Investment	Net Profit	Net Worth	21.24%	9.39%	126.09	The overall improvement in the ratio is due to higher profit margins.

## Notes to financial statements for the year ended 31st March, 2022

### 51 Details of Expenditure incurred on Corporate Social Responsibility (CSR) Activities:

Total CSR expenditure incurred during the year is INR 45.23 lakhs (previous year: INR 47.40 lakhs).

(INR in Lakhs)

Particulars	31st March, 2022	31st March, 2021
1 Amount required to be spent by the company during the year	45.16	47.38
2 Amount of expenditure incurred on:		
a. Construction/acquisition of any asset	2.81	-
b. On purposes other than (i) above	42.43	47.40
c. Total Amount of expenditure incurred	45.23	47.40
3 Shortfall at the end of the year	-	-
4 Total of previous years shortfall	-	-
5 Reason for shortfall	Not Applicable	Not Applicable
6 Nature of CSR activities:		
a. Education	19.97	4.61
b. Health care	13.01	28.28
c. Environmental, Society Welfare & Ecological balance	6.50	14.51
d. Skill Development	5.75	-
7 Details of related party transaction in relation to CSR expenditure		
Shri F. P. Tamboli Charitable Trust	15.00	-
Steelcast Education Trust	5.75	-

### 52 Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company does not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

## Notes to financial statements for the year ended 31st March, 2022

### 53 Ind AS updation (new/amendments)

#### 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 issued the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

#### a. 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.

#### b. 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.

#### c. 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.

#### d. 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.

#### e. Ind AS 116 – 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.

## Notes to financial statements for the year ended 31st March, 2022

### 54 Impact of COVID-19

The Company has taken into account all the possible impacts of COVID-19 in preparation of these standalone financial statements. 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.

55 Previous year figures have been recast/restated wherever necessary.

As per our report on even date.

**For S S M & CO**  
**Chartered Accountants**  
FRN : 129198W

**CA Sarju Mehta**  
Partner  
M. No. 106804  
Place: Bhavnagar  
Date: 18th May, 2022

**For STEELCAST LIMITED**

**Subhash Sharma**  
Chief Financial Officer  
**For and on Behalf of the Board of Directors**

**Rushil C Tamboli**  
Director  
DIN: 07807971  
Place: Bhavnagar  
Date: 18th May, 2022

**Umesh Bhatt**  
Company Secretary

**Chetan M Tamboli**  
Chairman & Managing Director  
DIN: 00028421

# STEELCAST LIMITED

CIN: L27310GJ1972PLC002033

Registered Office: Ruvapari Road, Bhavnagar, Gujarat 364 005

Phone: 0278-2519062, Email: [info@steelcast.net](mailto:info@steelcast.net), Website: [www.steelcast.net](http://www.steelcast.net)

Dear Member(s)

**Sub: Electronic mode of service of documents.**

As a part of Green initiative by the Ministry of Corporate Affairs (MCA), now members can receive various communications and correspondence including Annual Report through electronic mode i.e. e-mail.

In this connection, we request the members to support the green initiative by registering their e-mail id's in the below format to receive various communications to be sent by the Company, electronically.

1. Members holding the shares in physical form may send the communication to the Registrar and Share Transfer Agents (RTA), Bigshare Services Pvt. Ltd either physically or through e-mail at: (a) [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com) (or) (b) [cs@steelcast.net](mailto:cs@steelcast.net)
2. Members holding the shares in demat form may furnish the details to the respective Depository Participants.

The E-communication registration form should be signed by the sole/first named Member as per the specimen signature recorded with the RTA. Upon a specific request, even after registering the e-communication, members are entitled to receive such communications in physical form.

Thanking You

Yours faithfully

For **STEELCAST LIMITED**

Sd/-

Chetan M Tamboli

**CHAIRMAN & MANAGING DIRECTOR**

## E-COMMUNICATION REGISTRATION FORM

**Bigshare Services Pvt. Ltd,**

A-802 Samudra Complex,  
Off CG Road, Nr. Girish Cold Drink,  
Navrangpura,  
Ahmedabad, Gujarat – 380009

Folio No. / DP ID & Client ID: .....

Name of the sole / first named Member: .....

Name of joint holder(s): .....

Registered Address: .....

E Mail ID to be registered: .....

Date: .....

Signature of the Member:.....

**Note:** Members holding shares in demat form are requested to address and send the E-communication registration form to their depository participant (DP). Members are requested to keep DP/RTA/Company informed as and when there is any change in the e-mail address. Unless the e-mail ID given above is changed by you by sending another communication in writing / e-mail, the Company will continue to send the documents to you on the above mentioned e-mail ID.

# STEELCAST LIMITED

Regd. Office : Ruvapari Road, Bhavnagar, Gujarat, India 364 005.

## ATTENDANCE FORM

Name of Shareholder		
Number of Equity Shares held		
Folio Number, if shares are in physical form		
If shares are in Demat form	DP ID	
	Client ID	

I hereby record my presence at the 51st Annual General Meeting of the Company at Efce Sarovar Portico – Sarovar Hotels, Iscon Mega City, Opp. Victoria Park, Bhavnagar, Gujarat 364002 at 1600 hours on August 04, 2022.

Signature of the Member/Proxy attending the meeting	
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- Note:**
1. A Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand it over at the entrance duly signed.
  2. He/She is advised to bring along a copy of the Annual Report at the meeting for reference.

# STEELCAST LIMITED

Registered Office: Ruvapari Road, Bhavnagar, Gujarat, India 364 005.

## FORM NO. MGT-11 - 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 & Address of the Shareholder: (In BLOCK Letters)

Email ID:	Folio No.:
No. of shares held:	DP ID – Client ID:

I/We, .....being the member (s) of the above named Company, hereby appoint:

1.	Name:
	Address:
	E-mail ID:
	Signature:

or failing him/her

1.	Name:
	Address:
	E-mail ID:
	Signature:

or failing him/her

1.	Name:
	Address:
	E-mail ID:
	Signature:

as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the 51st Annual General Meeting of the Company, to be held on Thursday, the August 4, 2022 at 1600 hours at Efcce Sarovar Portico – Sarovar Hotels, Iscon Mega City, Opp. Victoria Park, Bhavnagar, Gujarat 364002 and at any adjournment thereof in respect of all resolutions proposed to be passed therein as under:

Resolution No.	Resolution (s)	Vote	
		For	Against
1	To receive, consider, approve and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2022 and the Report of the Board of Directors' and Auditors' thereon		
2	To confirm the payment of Interim Dividend on Equity Shares and to declare a Final Dividend on Equity Shares for the year ended 31st March, 2022		
3	To appoint a Director in place of Mr. Rushil C Tamboli, as Non-Executive Non-Independent Director having Director Identification Number 07807971, who retires by rotation and being eligible offers himself for re-appointment		

Resolution No.	Resolution (s)	Vote	
		For	Against
<b>Special Business</b>			
4	To appoint Mrs. Aarushi Manoj Ganatra having Director Identification Number 01527566 as an Independent Director for the period of Five (5) years with effect from 18.05.2022		
5	To ratify the remuneration paid to M/s. S K Rajani & Co., Cost Auditors (FRN.101113), for the financial year 2022-23.		

Signed on this day of ..... 2022

Signature of shareholder: .....

Signature of Proxy holder(s): .....



**Signature across Revenue Stamp**

- Note:**
1. The Proxy must be lodged at the Regd. Office of the Company mentioned as above, not less than 48 hours before the time of the Annual General Meeting.
  2. The Proxy need not be a Member of the Company.
  3. In case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint-holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
  4. This form of proxy confers authority to demand or join in demanding a poll.
  5. The submission by a Member of this form of proxy will not preclude such Member from attending in person and voting at the Meeting.

<b>For Office Use:</b>	Proxy No.:	Date of Receipt:
------------------------	------------	------------------



