

# Shyam Century Ferrous Limited

Regd. Office. : Vill. : Lumshnong, PO: Khaliehriat, Dist. East Jaintia Hills, Meghalaya-793 210, Phone No. - 03655-278215/16/18  
Fax : 03655-278217, E-mail : investors@shyamcenturyferrous.com, Website - www.shyamcenturyferrous.com  
CIN-L27310ML2011PLC008578

Date: 06th September, 2021

The Listing Department,  
National Stock Exchange of India Limited  
"Exchange Plaza", C-1, Block-G  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400 051  
Scrip Code: SHYAMCENT (NSE)

The Listing Department  
The BSE Limited  
Phiroze Jeejeebhoy Tower  
Dalal Street  
Mumbai – 400001  
Scrip Code: 539252(BSE)

Dear Sir(s),

**Sub: Annual Report, Accounts together with Notice of the 10<sup>th</sup> Annual General Meeting ('AGM') of the Company for the Financial Year 2020-21 in terms of requirements of Regulation 30 & 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('LODR Regulations')**

Pursuant to Regulation 30 & 34 of the LODR Regulations, we enclose herewith a copy of the Annual Report, Accounts together with Notice of 10<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Thursday, 30th September, 2021 at 2:00 P.M. (IST) through Video Conferencing ("VC") and Other Audio Visual Means ("OAVM").

The copy of the Annual Report, Accounts together with Notice of 10<sup>th</sup> Annual General Meeting are available on the following link:

[http://shyamcenturyferrous.com/wp-content/uploads/2021/09/Shyam-Century-Ferrous-Limited\\_Annual-Report\\_2020-21.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2021/09/Shyam-Century-Ferrous-Limited_Annual-Report_2020-21.pdf)

This is for your information and record.

Thanking you,

For Shyam Century Ferrous Limited

06-09-2021

X



Neha Agarwal  
Company Secretary  
Signed by: NEHA AGARWAL

**Neha Agarwal**  
**(Company Secretary)**

Encl: as above



**Office & Works** : EPIP, Rajabagan, Byrnihat, Meghalaya-793101, Ph : No. - 9436108851  
**Corporate Office** : Satyam Towers, 3 Alipore road, 1st Floor, Unit No. 9B, Kolkata - 700 027, Ph : No. 033 2448 4169/170/693, Fax : 033 2448 4168  
**Guwahati Office** : C/o Star Cement Limited, Mayur Garden, 2nd Floor, Opp. Rajiv Bhawan, GS Road, Guwahati-781005,  
Ph : 0361 24612215/16/17, Fax : 0361 2462217

# **GROWING WITH THE FLOW**



**SHYAM CENTURY FERROUS LIMITED**  
ANNUAL REPORT 2020-21

# Inside The Report



## 01-04 CORPORATE OVERVIEW

- 01 GROWING WITH THE FLOW
- 02 DIRECTOR'S MESSAGE
- 04 CORPORATE INFORMATION



## 05-40 STATUTORY REPORTS

- 05 DIRECTORS' REPORT & MANAGEMENT DISCUSSION ANALYSIS
- 23 CORPORATE GOVERNANCE



## 41-83 FINANCIAL STATEMENTS



## 84-103 NOTICE



Please find the online version of this Report at:

<http://shyamcenturyferrous.com/annual-report/>

Or simply scan to download

Disclaimer: This document contains statements about expected future events and financials of Shyam Century Ferrous 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 a 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 section of this Annual Report.

# Growing with the Flow

₹ **127.62** Crore  
Revenue from Operations

₹ **21.22** Crore  
EBITDA

₹ **2.80** Crore  
Profit after Tax

The ebb and tides in a river are analogous to the growth of an organisation. Both internal and exterior thrust propels it. This year's theme is a slight tweak to the famous saying, 'Going with the Flow'. It aptly describes our growth through these trying times and how we seized opportunities in our target market.

Shyam Century Ferrous Limited is a well-known Ferro Alloys manufacturer in North-Eastern India. The Company manufactures ferrosilicon and has a production capacity of 21,600 metric tonnes per year. This capacity includes a captive power generating capacity of around 14 MW, facilitating the production of silico manganese and other ferro alloys, using the same infrastructure.

Despite the challenges posed by the pandemic, the Company's revenue rose by 46.26%, and profit increased to ₹ 280.20 Lakhs. With the Government putting effort into new infrastructure projects, there has been a rise in demand, spearheaded by the infrastructure industry. This led to a positive result for the Company as it helped maintain demand and the Company benefited from rising steel demand and prices. The Company seized the opportunity, which resulted in a strong financial performance that allowed it to keep up with the flow. The Company is now steady on its growth path, tapping every prospect in significant markets across the nation.

# Director's Message

With business and society affected by the disruptions caused by the COVID-19 pandemic, we took proactive measures to extend support to our employees and other stakeholders, while effectively managing our business operations. We implemented necessary protocols and undertook measures to go beyond the normal to ensure safety for all.

## Dear Shareholders,

It's been a different year, and thus, makes it even more pronounced to discuss the fiscal in detail. There are two ways to look at the pandemic year 2020-21- one marked by disruptions, inconsistencies, and loss; and the other is the year's lessons on adaptability, agility and resilience.

With the pandemic prompting lockdowns and disrupting businesses around the world, FY 20-21 was hard to gauge. There was significant contraction in the first quarter due to the nationwide lockdown, and India's economy contracted by 7.7% during the course

of the year. During such a difficult time of the pandemic, the Government and the Reserve Bank of India (RBI) provided significant support to the Indian economy by offering numerous stimulus packages, reducing interest rates, and providing liquidity, all of which allowed the Indian economy to recover at a far faster rate.

Our economy gradually started opening up by the second quarter and signs of revival were evident in economic activities. Business activities across sectors showed signs of improvement in the

second quarter, with the contraction narrowing down to 7.5%. The Indian economy became the second to post positive GDP results in the third quarter, after China. It was because of decreased COVID-19 positive cases and multiple inoculation drives, there was an improvement in public morale, which resulted in increased GDP - indicative of a positive outlook for the global and Indian economy.

## Always With Our Employees

Our people have been the backbone of the Company, and the driving force behind

our progress. Over the course of the year, we took proactive measures to protect our employees' well-being. We made sure that our people stayed healthy by enforcing social distancing and personal hygiene norms, as well as wearing masks at all times to prevent the virus from spreading.

We have thoroughly assured the safety of both permanent and contract staff. We permitted our employees, who were stranded due to the lockdown, to stay on the plant premises. The Company also provided them with food and

other necessities, and also shut down offices during the peak of COVID-19 to protect everyone associated with us. These protocols enabled us to begin operations prior to other organisations, clearly giving us a competitive edge. Post lockdown, we have also provided free vaccines to our employee as well as to the people in our nearby communities.

### Stellar Performance

I am glad to inform you that despite the challenges posed by the pandemic, we have performed exceptionally well during the year. Our revenue from operations stood at ₹ 12,761.56 Lakhs in the financial year under review, which is up by 46.26% from ₹ 8,725.48 Lakhs in previous financial year. EBITDA also recorded a robust growth to reach ₹ 2,122.40 Lakhs. Our PAT has also shown a very good recovery and from a net loss in the previous year we have posted a profit of ₹ 280.20 Lakhs, which has added to the enthusiasm and morale. On account of an exceptional

item appearing on the profit and loss account for the year, the Profit After Tax has been affected, despite a higher level of EBITDA. This strong financial performance stands testimony to our sound management and operational systems. As a result of the early actions we took, we have been able to start sooner with a 50% capacity.

It was important for us to keep a healthy stock of raw materials over the financial year to maintain an efficient production cycle and to prevent production from being hindered by a lack of raw materials during the early stages of unlocking. This year's second half saw a strong demand for ferro silicon, largely due to reduced supply from major geographies and producers. Our efficient inventory management helped us to improve our margins and grab the opportunity, thus creating value for our stakeholders.

The fiscal saw our Company's production falter due to a lack of oxygen for production.

Amid the chaos of the second wave of the pandemic, as a socially responsible corporate citizen, we slowed down our production and diverted our oxygen supplies to the hospitals to save lives.

### Outlook

Going ahead, I am confident of a robust demand for ferro silicon. It being a chief contributor in stainless steel, there are vast opportunities yet to get materialised in the automobile and infrastructure development space. With improving auto sales during the year and Government's ardent focus towards infrastructure development, there are huge untapped opportunities for ferro-silicon in India. Our prudent approach, resilient and agile business model and commitment towards our customers will help us to grow. The overall demand and price conditions are favourable, and the business outlook is increasingly improving. Financial discipline, operational excellence, and

client centricity continue to guide the Company through adversities. The epidemic has taught us a lot of new things, and these lessons will become key tenets of our Company as we move ahead with our objectives.

### Vote of Thanks

Financial year 20-21 has been a successful year for the Company despite all the challenges related to the ongoing pandemic, lockdowns and logistical issues. I am proud of all our achievements, especially the higher level of attributable revenue in the financial year, a healthy cash balance, no fatalities and continued safety achievements. I would like to thank our management team, all members of staff and other stakeholders, including our investors for maintaining trust and contributing to this success. We are devoted to building a vibrant organisation, as we shift the gear towards driving a better tomorrow.

Warm Regards,  
**Sajjan Bhajanka**  
Director



# Corporate Information

CIN: L27310ML2011PLC008578

## Board of Directors

**Mr. Sajjan Bhajanka**

Director

**Mr. Rajesh Kumar Agarwal**

Director (w.e.f. 08.02.2021)

**Mr. Aditya Vimalkumar Agarwal**

Director

**Mr. Pramod Kumar Shah**

Director

**Mr. Nirmalya Bhattacharyya**

Director (w.e.f. 01.04.2021)

**Mrs. Plistina Dkhar**

Director

**Mr. Nagraj Tater**

Director (up to 11.11.2020)

**Lt. Hari Prasad Agarwal**

Director (w.e.f. 12.11.2020 up to 18.12.2021)

**Mr. Santanu Ray**

Director (up to 31.03.2021)

## Auditors

AKSD & Associates

(Formerly Kailash B. Goel & Co.)

Chartered Accountants

70, Ganesh Chandra Avenue, 1st Floor,

Kolkata 700 013

## Chief Executive Officer

Mr. Sumanta Kumar Patra (w.e.f. 29.06.2020)

## Chief Financial Officer

Mr. Kamlesh Pathak

(up to 22.03.2021)

Mr. Uday Bahadur Chetri (w.e.f. 09.06.2021)

## Company Secretary

Ms. Neha Agarwal

## Bankers

HDFC Bank Limited

## Registered Office

VIII : Lumshnong, P. O. Khaliehriat

Dist: East Jaintia Hills

Meghalaya 793 210

## Works

Ferro Alloy & Power Plant

EPIP, Raja Bagan,

Byrnihat 793 101

Ri-Bhoi, Meghalaya

## Corporate Office

'Century House', 2nd Floor,

P-15/1, Taratala Rd, 2nd Floor, CPT Colony

Taratala, Kolkata, West Bengal 700 088

Phone no.: 033 2248 4169/70

Fax: 033 2248 4168

Email: [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com)

Website: [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com)

## Registrars & Share Transfer Agents

Maheswari Datamatics Pvt. Ltd.

23, R. N. Mukherjee Road, 5th Floor,

Kolkata 700 001

# DIRECTORS' REPORT & MANAGEMENT DISCUSSION ANALYSIS

Dear Shareholders,

Your Directors have pleasure in presenting the Tenth Annual Report of the Company together with the Audited Balance Sheet as at 31st March, 2021 and the Statement of Profit & Loss for the year ended on that date.

## FINANCIAL PERFORMANCE

The highlights of the financial performance of the Company for the financial year ended 31st March, 2021 as compared to the previous financial year are as under:-

Particulars	₹ in Lakhs)	
	2020-21	2019-20
Total Income	13,568.06	8,913.93
Profit before Depreciation, Interest and Tax and exceptional item	2122.40	257.15
Depreciation	186.30	229.08
Interest and Finance Charges	79.58	40.14
Exceptional items	1,719.63	-
Profit/Loss Before Tax	136.89	(12.08)
Tax Expenses:		
-Current Tax	-	3.20
-Income Tax for previous years	(1.99)	(25.39)
-Deferred Tax	(141.32)	13.53
Profit/Loss after Tax	280.20	(3.42)
Other comprehensive income for the year, net of tax	1.01	5.82
Total comprehensive income for the year	281.21	2.40

- Previous years figures were rearranged and regrouped wherever necessary.
- During the FY 2020-21, Meghalaya Power Limited ceased to be an Associate Company, therefore, consolidated financial position for the year 2020-21 and 2019-20 have not been provided.

## FERRO ALLOY BUSINESS - INDUSTRY AT A GLANCE

Country's Ferro alloys industry having enormous capacity to compete at international parlance. Due to massive infrastructure need, expansion of industrial production etc., India having potentiality to develop very strongly. Indian ferro alloys is very much preferred in Europe therefore, its growth prospect is very high. As per report of Steelworld the industry is estimated to grow at CAGR of 5.9% between 2017-2025, however, impact of Covid may defer the estimated growth.

Ferro alloy business is dependent on demand of steel. Covid-19, has impacted the overall demand of steel across the globe. There was reported a mixed impact on the business. Bounding the global trend, China and Russia produced more steel in 2020 comparing 2019. Among the top five nations, production declined in India and Japan. As per report of World Steel Association (WSA), crude steel production fell globally by 0.9% in 2020; however, China able to raise production up by 5.2% over 2019 and its share in global crude steel production increased from 53.3% in 2019 to 56.5% in 2020. Russia also improved production by 2.6%. India retained its second position. Country's share in the global output deep to 5.3% in 2020 from 5.9% a year ago.

Impressive ore and ferro alloy prices witnessed in India, during February-March, 2021 with most markets posted significant price gains. High demand from steelmakers along with supply shortages in numerous markets, as well as freight and transportation issues, continued to push prices higher.

Low cost manpower and easy availability of iron ore reserves made the country competitive in global arena. During last decades the industry is witnessing consolidation of powers and business which is attracting investments from other sources and it has opened opportunities to the players from outside India.

Government's various initiative like implementation of National Steel Policy in 2017, Steel scrap Recycling Policy helped to reduce import of steel thereby conserving foreign exchange reserves, Atmanirbhar Bharat initiatives contributing for development of the sector. National Steel Policy forsee 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030-31. The Ministry of Steel prepared a draft policy framework for development of steel clusters in the country.

The Ministry of Steel supporting for setting up a Steel Research and Technology Mission of India (SRTMI) to



promote research and development activities in the iron and steel industry at an initial corpus of ₹ 200 Crore.

The Directorate General of Foreign Trade (DGFT) announced that steel manufacturers are eligible to avail duty drawback benefits on steel supplied through their service centres, distributors, dealers and stock yards. To help domestic companies, Government imposed export duty of 30% on iron ore to help interrupted supply to domestic industry. Government's infrastructure development programme is expected to boost growth of the sector. The Government of India raised import duty on most steel items twice, each time by 2.5% and imposed measures including anti-dumping and safeguard duties on iron and steel items. The aforesaid measures and initiatives are expected to help the domestic industry to flourish again.

As per National Steel Policy, the ferro alloy industry is very much power intensive, therefore, captive power generation needs to be encouraged. There is direct linkage of steel production with the ferro alloy industry, therefore, to meet demand of steel industry, establishment of larger units of ferro alloy needs to be stimulated.

Your Company continued to focus on its fundamental strength i.e., productivity and quality. Strong emphasis were given on reduction of cost, utilisation of internal efficiencies together with an improvement in the product mix which enabled your Company to withstand inflationary pressures on costs and profitability.

During the year under review, your Company has sold 14,477.50 MT of Ferro Silicon as against 11,568 MT recorded in previous year. Prices of ferro silicon was increased therefore sales realisation was also increased. Your Company produced 14,124 MT of Ferro Silicon during the year under review as against 11,110 MT recorded in the FY 2019-20. Due to increase of variable cost, running of plant throughout the year was not viable and for sake of cost efficiency the plant was closed for a certain period. However, prices started improving from February, 2021. While your Company constantly strives to increase stakeholder's value, emphasis continues to be on delivering value to customers and strengthening processes while driving sustainable practices, resulting into expanding customer base.

### **POWER BUSINESS**

During the year under review, due to non-availability of coal your Company has not generated any power like previous year.

During the year, M/s. Meghalaya Power Limited ceased to be an Associate Company of the Company due to sell of entire shares held by the Company in Meghalaya Power Limited.

### **OPPORTUNITIES & THREATS, RISKS AND CONCERNS**

Performance of the Company depends on the continued demand of our products in the steel and stainless steel industry. Ferro Silicon market in India is subdued for quite a period of time. Highest consumption of Ferro Silicon seen in Stainless Steel Sector followed by Mild Steel Sector. Low demand from the above sectors affected Ferro silicon production in India. There has been sharp fall in market price of Ferro Silicon due to low demand from the sectors. However, Government's various initiatives to liberalise industrial policy, approval of National Steel policy and policy on 'Make in India' and other infrastructural initiatives taken are expected to increase in demand of ferro silicon.

Challenges being faced by the domestic companies due to fall in global demand, short availability of raw materials and very high power cost, lack of infrastructural facilities for easy transportation of raw materials to the location affects the sector. Policy of the Government, regulatory changes and force majeure events may also affect the development of domestic industry.

Despite all threats, Indian Ferro alloy industry has tremendous growth prospect due to low per capital steel production, rapid industrialisation, urbanisation, infrastructural development, thriving automobile and railway sectors and other Government initiatives.

The Company has evolved a risk management framework to identify, assess and mitigate the key risk factors of the business. The Board of the Company is kept informed about the risk management of the Company.

### **PERFORMANCE AND OPERATIONS REVIEW**

In view of ongoing pandemic situation and lock down announced, we had implemented lot of measures at plant and non plant level. We have enforced Covid protocols in offices and plant as per directives of the Government to keep all concerned safe.

During the year under review, on a full year basis, the Company has posted total revenue of ₹ 13,568.06 Lakhs and Profit before Tax of ₹ 136.89 Lakhs in FY 2020-21 as against ₹ 8,913.93 Lakhs and ₹ (12.08) Lakhs respectively during the previous financial year. Exceptional Items during the year was ₹ 1719.63 Lakhs. Your Company produced 14,124 MT of Ferro Silicon during the year under review as against 11,110 MT recorded in the FY 2019-20.

### **SHARE CAPITAL**

The paid up Equity Capital as on 31st March, 2021 was ₹ 2,221.73 Lakhs. During the year under review, the Company has neither issued any shares with differential voting rights nor granted stock options or sweat equity shares.

### SHARES IN SUSPENSE ACCOUNT

Disclosures of the shares lying in Company's Unclaimed Shares Suspense Account are given in the Report of Corporate Governance.

### EXTRACT OF ANNUAL RETURN

In terms of requirement of Section 134(3)(a) read with Section 92(3) of the Companies Act, 2013, the extract of the Annual return of the Company can be accessed at the web link: <http://shyamcenturyferrous.com/wp-content/uploads/2021/09/Annual-Return2020-21.pdf>

### MEETINGS OF THE BOARD

During the year, Four (4) Board Meetings and Four (4) Audit Committee meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The details of the Board Meeting are provided in the Corporate Governance Report.

### MEETINGS OF INDEPENDENT DIRECTORS

During the year under review, meeting of Independent Directors was held on 12th March, 2021 wherein the performance of the Non-Independent Directors and the Board as a whole was reviewed. The Independent Directors at their meeting also, inter alia, assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors of the Company.

### COMMITTEES OF THE BOARD

The composition and terms of reference of the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Finance Committee have been furnished in the Corporate Governance Report forming part of this Annual Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee and Nomination and Remuneration Committee.

### WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company has formed a Whistle Blower Policy/ Vigil Mechanism as required under Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimisation of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional

cases. The said policy may be referred to at the Company's website at the web link: [http://shyamcenturyferrous.com/wp-content/uploads/2021/09/SCFL\\_Whistle-Blower-Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2021/09/SCFL_Whistle-Blower-Policy.pdf)

### POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES

The Board has framed a Remuneration Policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Employees. The remuneration policy aims to enable the Company to attract, retain and motivate highly qualified members for the Board and at other executive levels. The remuneration policy seeks to enable the Company to provide a well-balanced and performance-related compensation package, taking into account shareholders' interests, industry standards and relevant Indian corporate regulations. The details on the same are given in the Corporate Governance Report. The said policy may be referred to at the Company's website at the web link: [http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL\\_Remuneration-Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL_Remuneration-Policy.pdf)

### CODE OF CONDUCT

With intent to enhance integrity, ethics & transparency in governance of the Company your Company had adopted a Code of Conduct for Directors and Senior Management Personnel. The Code has been displayed on the Company's website [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com)

### COMPLIANCE WITH THE SECRETARIAL STANDARD AND INDIAN ACCOUNTING STANDARDS

The Company has complied with the applicable Secretarial Standards as recommended by the Institute of Company Secretaries of India. The Company has also complied with all relevant Indian Accounting Standards referred to in section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 while preparing the financial statements.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirement of Section 134 (3) (c) read with section 134 (5) of the Companies Act, 2013, the Directors hereby confirm and state that:

- In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures, if any.
- The Directors have selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and

prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the profit of the Company for the year under review.

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

#### **AUDITORS & AUDITORS' REPORT**

M/s. AKSD & Associates (Formerly M/s. Kailash B. Goel & Co.), Chartered Accountants (Firm Registration no. 322460E), Statutory Auditors of the Company, have completed their tenure of two terms of five consecutive years as stipulated under section 139 of the Companies Act, 2013. Therefore, the terms of office of the existing Statutory Auditors will conclude from the close of the forthcoming Annual General Meeting of the Company.

The Board of Directors places on record its appreciation for the services rendered by M/s. AKSD & Associates as the Statutory Auditors of the Company.

M/s. D.K. Chhajer & Co, Chartered Accountants (Firm Registration no. 304138E) have expressed their willingness to be appointed as Statutory Auditors of the Company and have confirmed that their appointment, if made, would be within the limits mentioned under section 141(3)(g) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

Subject to the approval of shareholders, the Audit Committee and the Board of Directors of the Company have recommended the appointment of M/s. D.K. Chhajer & Co., Chartered Accountants (Firm Registration no. 304138E), as Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 for a period of five years commencing from the conclusion of 10th Annual General Meeting till the conclusion of 15th Annual General Meeting,

The Auditors' Report to the Shareholders for the year under review does not contain any qualification.

The notes to the accounts referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any further comments.

#### **COST AUDITORS**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its manufacturing activity is required to be audited. Your Directors have, on the recommendation of the Audit Committee, appointed Messrs Sanjib Das & Associates, Cost Accountants (Firm Registration Number 100751) as Cost Auditors of the Company for the financial year ended 31st March, 2021 in the Board Meeting held on 25th June, 2020. The remuneration proposed to be paid to them for the FY 2020-21, as recommended by audit committee, was ratified in the meeting of shareholders held on 29th September, 2020. However, Messrs Sanjib Das & Associates, have expressed their unwillingness to be re-appointed for the FY 2021-22 due to their pre-occupation.

The Board of Directors of the Company on the recommendation of the Audit Committee, appointed M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration number 000064), as the Cost Auditors of the Company for the Financial Year 2021-22 under section 148 of the Companies Act, 2013. M/s. B. G. Chowdhury & Co. have confirmed that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under section 141(3). The Audit Committee has also received a Certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to M/s. B. G. Chowdhury & Co., Cost Auditors for the FY 2021-22 is included in the Notice convening the Annual General Meeting.

The cost audit report for the FY 2019-20 was filed with the Ministry of Corporate Affairs on 09th December, 2020.

#### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. MKB & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith marked **Annexure-1**. The report is self-explanatory and do not call for any further comments.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, your Company has not made any investment or provided guarantee or security in connection with a loan to any person exceeding the limit specified in Section 186 of the Companies Act, 2013.

Details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### RELATED PARTY TRANSACTIONS

All related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. In terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, the particulars of the material contract or arrangement entered into by the Company with related parties as referred to in section 188 in form AOC-2 is attached as **Annexure – 2** of this report. However, the details of the transactions with the Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval has been obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

A policy on 'Related Party Transactions' has been devised by the Company which may be referred to at the Company's website at the web link [http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL\\_Related-Party-Policy-1.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL_Related-Party-Policy-1.pdf)

### RESERVES

During the year under review no amount was transferred to reserves.

### DIVIDEND

The Board of Directors of your company, after considering holistically the relevant circumstances and in order to conserve resources for future plans has decided that it would be prudent, not to recommend any Final Dividend for the FY 2020-21 (Previous year NIL).

### ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated in section 134 (3) (m) of the Act and rules framed

there under is mentioned below:

- (A) Steps taken toward Conservation of energy:
- Renovation work has been carried out in cooling tower#2 of Ferro Alloys resulted to improve the cooling tower efficiency.
- (B) Steps taken toward Technical Absorption:
- Water spray sprinkler system has been installed in factory premises for control the dust sweep in air & temperature.
  - Charge level maintaining low at Furnace rim level as a result to minimize shutdown on pressure ring & contact clamp damage due to heat radiation.
  - Silica Powder use in bed casting to minimize contamination in metal cake resulting increased rate of prime production recovery.

The Company has developed a Research & Development cell for carrying out R&D Projects in the plant with specific objective of development of advanced systems for quality improvement. During the year under review there was a Capital expenditure of ₹ 1.77 Lakhs and no Revenue Expenditure in Research & Development.

- (C) Foreign Exchange Earnings And Outgo

During the period under review, Foreign Exchange Earning was NIL (Previous Year NIL) and Foreign Exchange Outgo was NIL (Previous Year NIL).

### CORPORATE SOCIAL RESPONSIBILITY INITIATIVES (CSR)

#### EDUCATION:

Your Company is promoting education and providing non-formal education to the rural and tribal people through One Teacher School (OTS) i.e., Ekal Vidyalaya run by the Friends of Tribal Society (FTS). The projects aims to reach the education to every doorstep of the country.

#### HEALTH CARE :

During the year initiatives were undertaken for free distribution of rice during the lock down period.

The Committee is headed by Mr. Rajesh Kumar Agarwal, Director of your Company and consists of Members as stated below:

Name	Category	Chairman/ Members
Mr. Rajesh Kumar Agarwal*	Non-Independent	Chairman
Mr. Hari Prasad Agarwal**	Non-Independent	Chairman
Mr. Nagraj Tater***	Non-Independent	Chairman
Mr. Aditya Vimalkumar Agrawal	Non-Independent	Member
Mr. Pramod Kumar Shah	Independent	Member

\* Mr. Rajesh Kumar Agarwal was appointed as an additional director in the non-independent category and Chairman of the said Committee w.e.f. 08.02.2021.

\*\* Mr. Hari Prasad Agarwal was appointed as an additional director in non-independent category and Chairman of the said Committee w.e.f. 12.11.2020, but ceased to be director of the Company w.e.f. 18.12.2020 due to sudden demise.

\*\*\* Mr. Nagraj Tater Ceased to be Director of the Company and Chairman of the said committee w.e.f. 11th November, 2020.

Annual Report on CSR as required to be annexed in terms of requirement of Section 135 of Companies Act, 2013 and rules framed thereunder is annexed herewith and marked **Annexure-3**.

The CSR Policy of the Company is available on the Company's website under the weblink: <http://shyamcenturyferrous.com/wp-content/uploads/2021/08/CSR-Policy-2021-1.pdf>

### EVALUATION OF THE BOARD'S PERFORMANCE

In compliance with the Companies Act, 2013 and as per Listing Obligations and Disclosures Requirements formulated by Securities and Exchange Board of India (SEBI), the Company has adopted a policy for evaluation of performance of the Board of Directors. The Board follows a formal mechanism for the evaluation of the performance of the Board as well as Committee.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The Nomination and Remuneration Committee at its meeting established the criteria based on which the Board will evaluate the performance of the Directors.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Non-Independent Directors and Board as a whole was also carried out by the Independent Directors.

The Directors expressed their satisfaction over the evaluation process and results thereof.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Nagraj Tater resigned as the Non-Executive Director of the Company with effect from close of the business hours

of 11th November, 2020. The Board places on record its appreciation for the services rendered by Mr. Nagraj Tater during his tenure as the Non-Executive Director of the Company.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 11th November, 2020 appointed Mr. Hari Prasad Agarwal as the Additional Director in Non-Executive category of the Company with effect from 12th November, 2020 subject to approval of the shareholders of the Company at the ensuing Annual General Meeting who suddenly left for heavenly abode on 18th December, 2020. The Board further express their heartfelt condolences for his untimely death and wishes to put on record their sincere and deep appreciation for his invaluable guidance and contribution from time to time in building up the Company's growth.

On the recommendation of the Nomination & Remuneration Committee, Mr. Rajesh Kumar Agarwal (DIN: 00223718) was appointed as the Additional Director in Non-Executive category of the Company by the Board of Directors w.e.f. 08th February, 2021 to fill the vacancy caused by the sad demise of Mr. Hari Prasad Agarwal.

Mr. Rajesh Kumar Agarwal, aged 50 years, is a commerce graduate and a diploma holder in computer science having more than 30 years of rich experience in Administration, Logistics, Information Technology & Procurement Material Management, Insurance & IPR. He has also completed a Strategic Sourcing & Supply Chain Management from IIM -Bangalore and is also Certified Global Negotiation Executive Training (CCNA) from The Institute of Supply Chain Management. His association as Director would be beneficial to the Company.

Mr. Rajesh Kumar Agarwal has given his consent for appointment and has confirmed that he does not suffer from any disqualifications for appointment.

Mr. Santanu Ray, Independent Director retired from the Board with effect from close of the business hours of 31st March, 2021 due to completion of his existing terms of appointment as Independent Director. Your Board of Directors record their appreciation for the valuable services and guidances rendered/given by Mr. Santanu Ray during his association with the Company as a member of the Board and various Committees.

On the recommendation of the Nomination & Remuneration Committee, the Board of Directors appointed Mr. Nirmalya Bhattacharyya (DIN: 09037566) at its meeting held on 8th February, 2021 as an additional director in Independent category for a period of 5 (five) years effective from 1st April, 2021 upto 31st March, 2026 subject to approval of the shareholders of the Company by way Special Resolution at

the ensuing Annual General Meeting.

Mr. Nirmalya Bhattacharyya, aged 71 years, is a First Class Master Degree holder in Statistics having more than 50 years of rich experience in Banking, Finance, Accounts, Administration and Social services. He is an Executive Director of Friends of Tribal Society and also an Administrator of MBIT sets of instruments. His association as Director would be beneficial to the Company.

Mr. Nirmalya Bhattacharyya has given his consent for appointment and has confirmed that he retains his status as Independent Director and does not suffer from any disqualifications for appointment.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 9th June, 2021 appointed Mr. Uday Bahadur Chetri as the new Chief Financial Officer and Key Managerial Personnel of the Company with effect from 9th June, 2021.

Mr. Kamlesh Pathak resigned as Chief Financial Officer and Key Managerial Personnel with effect from close of the business hours of 22nd March, 2021. The Board places on record its appreciation for the services rendered by Mr. Kamlesh Pathak during his tenure with the Company.

In accordance with the provisions of Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Sajjan Bhajanka will retire by rotation and being eligible, offers himself for re-appointment. In view of his considerable experience, your Directors recommend his re-appointment as Director of the Company.

#### **DECLARATION BY INDEPENDENT DIRECTORS**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and the Listing Regulations.

Mr. Nirmalya Bhattacharyya, Mrs. Plistina Dkhar and Mr. Pramod Kumar Shah are Independent Directors on the Board of your Company. In the opinion of the Board and as confirmed by these Directors, they fulfill the conditions specified in section 149 of the Act and the Rules made thereunder and the Listing Regulations about their status as Independent Director of the Company.

Your Board of Directors formed opinion that the Independent Directors of the Company are maintaining highest standard of integrity and possessing expertise, requisite qualifications and relevant experience in the fields of Administration, General management, Accounts & Finance, Audit, Internal Audit, Taxation, Risk, Board procedures, Governance etc., for performing their role as Independent Directors of the

Company. Regarding proficiency, all Independent Directors have registered themselves in the Data Bank maintained with the Indian Institute of Corporate Affairs (IICA), Manesar. In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake online proficiency self- assessment test conducted by the IICA within a period of two (2) year from the date of inclusion of their names in the data bank. Mrs. Plistina Dkhar, Independent Directors is exempted from qualifying 'online proficiency test' due to her relevant experience in listed companies and the Companies with Paid up equity Capital is ₹ 10 Crore and more. Mr. Nirmalya Bhattacharyya (appointed w.e.f. 01st April, 2021) will appear in 'online proficiency test' within the period of 2 (two) years from the date of inclusion of their name in the data bank. Mr. Pramod Kumar Shah had appeared in 'online proficiency test' within the period of 2 (two) year from the date of inclusion of his name in the data bank and has successfully qualified the test.

#### **FAMILIARISATION PROGRAMME UNDERTAKEN FOR INDEPENDENT DIRECTORS**

In order to enable the Independent Directors to perform their duties optimally, the Board has devised a familiarisation programme for the Independent Directors to familiarise them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. They are periodically updated about the development which takes place in the Company. The Independent Directors have been issued Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and commitments etc. The familiarisation program is available on the Company's website under the weblink: [http://shyamcenturyferrous.com/wp-content/uploads/2015/10/Familiarization\\_Programme\\_for\\_Independent\\_Directors.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2015/10/Familiarization_Programme_for_Independent_Directors.pdf)

#### **SUBSIDIARY, ASSOCIATE AND JOINT VENTURE**

The Company does not have any subsidiary and joint venture. During the year M/s Meghalaya Power Limited ceased to be an associate Company.

#### **CHANGES IN NATURE OF BUSINESS, IF ANY**

There has not been any change in the nature of business.

#### **DEPOSITS**

During the year under report, the Company has not accepted any deposits from public or from any of the Directors of the Company or their relatives falling under ambit of Section 73 of the Companies Act, 2013.

**SIGNIFICANT MATERIAL ORDERS PASSED BY THE COURTS OR REGULATORS**

- (i) The Director of Mineral resources, Meghalaya, Shillong vide its Demand notice dated 19th February, 2020 raised a demand against the Company for payment of royalty, MEPRF, VAT/GST for an amount of ₹ 1738.99 Lakhs in pursuance to the National Green Tribunal (NGT) order dated 17.01.2020 passed in O.A. No. 110 (THC)/2012 against the Company and other Cement and Power Companies in Meghalaya for alleged illegal coal procurement.

The Company has not purchased any illegal coal and has complied with all disclosure requirements of the various Government departments. The report of NGT Committee has been founded on the basis of assumptions and not on hard facts. The Company backed by the legal opinions, believed that it has a good case in the matter as the said order was issued on the basis of certain hypothetical assumptions and without giving any opportunity of being heard to the Company.

Accordingly, the Company has preferred an appeal before the Appex Court and accordingly no provisions has been made in the accounts. (Refer Note no. 45(b) of Notes to Accounts).

- (ii) In respect of receipt of differential excise duty amounting to ₹ 1719.63 Lakhs by the Company and the subsequent rejection of Review Petition by the Supreme Court of India filed by some of the Petitioners against its judgement dated 22.04.2020 in the matter of Union of India Vs. M/s. V.V.F. Limited & Others, the Company has refunded 50% of differential excise duty amounting to ₹ 859.78 Lakhs which was received by the Company in previous years for which demand letter was issued and also provided balance 50% amounting to ₹ 859.85 Lakhs. (Refer Note no. 46 of Notes to Accounts).
- (iii) In respect of demand letter received from Central Excise authority for refund of Education Cess and Secondary & Higher Education Cess amounting to ₹ 112.04 Lakhs, the Company has filed a writ petition before the Hon'ble Meghalaya High Court for quashing of demand notice, the Meghalaya High Court has stayed the said demand notice matter is now sub-judice and therefore, no provision have been taken in the books of account. (Refer Note no. 45(a) of Notes to Accounts).

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

No material changes or commitments have occurred between the end of the financial year and the date of this Report which

affect the financial statements of the Company in respect of the reporting year.

**CREDIT RATINGS**

Your Company enjoys a sound reputation for its prudent financial management and its ability to meet financial obligations. CARE Ratings, has reaffirmed the Company's short term rating to "CARE A3+" (pronounced CARE A three plus, outlook stable) and the long term rating to "CARE BBB+, Stable" (pronounced as CARE Triple B Plus; Outlook: Stable).

**ADEQUACY OF INTERNAL FINANCIAL CONTROL**

The Company maintains comprehensive internal control system, commensurate with the size of its operations and monitoring procedure for all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

The Board of Directors of the Company on the recommendation of the Audit Committee, re-appointed M/s. K. Baldawa & Co., Chartered Accountants, as the Internal Auditors of the Company for the FY 2021-22 under section 138 of the Companies Act, 2013. M/s. K. Baldawa & Co., have confirmed about their re-appointment. The Internal Auditors periodically reviews the effectiveness and efficacy of Internal Control Systems and procedures. Audits are finalized and conducted based on internal risk assessments. Significant deviations from the standard procedures are brought to the notice of the Audit Committee/Board periodically and corrective measures are recommended for implementation. All these steps facilitate timely detection of any irregularities, frauds and errors and early remedial measures to be undertaken so that no monetary losses are sustained. Significant audit observations, if any, and corrective actions thereon are presented to the Audit Committee of the Board.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the design or operations were observed. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, 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.

### DETAILS OF SIGNIFICANT CHANGES (I.E., CHANGES OF 25% OR MORE) IN KEY FINANCIAL RATIO AND CHANGE IN RETURN ON NETWORTH ALONGWITH DETAILED EXPLANATIONS

Key Financial Ratios	FY 2020-21	FY 2019-20	% change	Explanation for significant changes
Debtors Turnover ratio	4.22	2.63	60.37	Due to increase in sales on advance basis.
Inventory Turnover ratio	6.45	4.97	29.70	Due to improved market condition of ferro silicon in comparison with last year
Interest Coverage ratio	24.33	0.70	3,380.41	Due to better realisation and improved market scenario
Current ratio	7.54	5.27	42.91	Due to increase in cash & bank position in the current year
Debt Equity ratio	0.01	0.02	(40.06)	Due to reduction in car loan amount
Operating Profit Margin (%)	0.09	(1.84)	(104.82)	Due to better realisation and improved market scenario.
Net Profit Margin (%)	0.02	(0.04)	(156.10)	Due to better realisation and improved market scenario
Return on Net Worth	0.02	(0.00)	(8,109.26)	Refund / Reversal of receivable on account of differential excise duty followed by the judgement of Hon'ble Apex Court

### MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES

The disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 along with a statement containing particulars of employees as required under Section 197 of Companies Act, 2013 read with Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith and marked **Annexure-4** and forms part of this report.

### POLICY ON PREVENTION OF SEXUAL HARASSMENT

The Company values the integrity and dignity of its employees. The Company has put in place a 'Policy on Prevention of Sexual Harassment' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act") and has constituted the Committee with internal and external members. We affirm that adequate access has been provided to any complainants who wish to register a complaint under the policy. No complaint was received during the year.

### CORPORATE GOVERNANCE

The Company has complied with the corporate governance requirements as stipulated under the Listing Obligations and Disclosures Requirements formulated by Securities and Exchange Board of India (SEBI). A separate section on corporate governance, along with a certificate from the auditors confirming the compliance, is annexed and forms part of the Annual Report. This certificate will be forwarded

to the Stock Exchanges along with the Annual Report of the Company.

### CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

As required under Regulation 17(8) of the Listing Obligations and Disclosures Requirements formulated by Securities and Exchange Board of India (SEBI), the CEO and CFO certification has been submitted to the Board and a copy thereof is contained in this Annual Report.

### RISK MANAGEMENT

Risk management refers to the practice of identifying potential risks in advance, analyzing them and taking precautionary steps to reduce the risk. The Company has evolved a risk management framework to identify, assess and mitigate the key risk factors of the business. The Board of the Company is kept informed about the risk management of the Company.

### HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATIONS

The Company has always provided a congenial atmosphere for work to all sections of society. It has provided equal opportunities of employment to all irrespective to their caste, religion, color, marital status and sex. The Company believes that human capital of the Company is its most valuable assets and its human resource policies are aligned towards this objective.

The Company focuses on enhancing organisational performance by focusing on quick grievance resolution mechanisms and maintaining cordial relations with



employees and workmen across all levels. The relation amongst its employees remained harmonious and the year under review remained free from any labour unrest.

During the year under review, there has not been any material changes in human resources, industrial relations and number of people employed.

**GREEN INITIATIVES IN CORPORATE GOVERNANCE**

Ministry of Corporate Affairs has permitted Companies to send copies of Annual report, Notices, etc., electronically to the email IDs of shareholders. Your Company has arranged to send the soft copies of these documents to the registered email IDs of the shareholders. To support the 'Green Initiative', Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ Depositories for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically.

Pursuant to the MCA and SEBI circulars, in view of the prevailing situation of the Pandemic, owing to the difficulties involved in dispatching of the physical copies of the Notice of the 10th AGM and the Annual report of the Company for the financial year ended 31st March, 2021 are being sent only by email to the Members.

**CAUTIONARY STATEMENT**

Statements in this report describing the Company's objectives, expectations or predictions, may be forward looking within the meaning of applicable securities laws and

regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include: global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their cost, changes in government policies and tax laws, economic development of the country, potential impact of the ongoing COVID-19 pandemic and related public health issues on economy of country, our business, the businesses of our customers, vendors and partners and other factors which are material to the business operations of the Company.

**ACKNOWLEDGEMENT**

Your Directors take this opportunity to express their deep sense of gratitude to the Banks, Central and State Governments and their departments and the Local Authorities, Customers, Vendors, Business partners/associates and Stock Exchanges for their continued guidance and support.

The Directors regret the loss of life due to Covid-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

Your Directors would also like to place on record their sincere appreciation for the commitment, dedication and hard work put in by every member of the Company and recognize their contribution towards Company's achievements. Your Directors express their gratitude to the shareholders of the Company for reposing their confidence and trust in the Management of the Company.

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

Place : Kolkata  
Date: 9th June, 2021

**Rajesh Kumar Agarwal**  
*Director*  
(DIN: 00223718)

**Aditya Vimalkumar Agrawal**  
*Director*  
(DIN: 03330313)

Annexure - 1  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021**

[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,

**SHYAM CENTURY FERROUS LIMITED**

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

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit and considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India due to COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) The 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;
- v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:
  - a) The Securities & Exchange Board of India

(Substantial Acquisition of Shares and Takeover) Regulations, 2011

- b) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- c) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
- e) The Securities & Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- f) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- g) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018
- i) The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws/acts are also, inter alia, applicable to the Company:
  - a) The Boilers Act, 1923
  - b) The Environment (Protection) Act, 1986
  - c) The Water (Prevention and Control of Pollution) Act, 1974
  - d) The Air (Prevention and Control of Pollution) Act, 1981
  - e) The Meghalaya Forest Act, 1973

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

- a) The Board of Directors of the Company is duly constituted with proper balance of Non Executive

Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- b) Adequate notice is given to all 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.

- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

This report is to be read with our letter of even date which is annexed as **Annexure – I** which forms an integral part of this report.

For MKB & Associates  
Company Secretaries  
Firm Reg. No.: P2010WB042700

Date: 9th June, 2021  
Place : Kolkata  
UDIN: A017190C000436532

**Raj Kumar Banthia**  
Partner  
Membership No. ACS 17190  
COP no. 18428

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#### Annexure - 1

To  
The Members,

**SHYAM CENTURY FERROUS LIMITED**

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those 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's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions 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.

*Note: Due to continuing Covid-19 pandemic, for carrying on and completion of the Audit, documents /details have been provided by the Company through electronic mode and the same have been verified by us.*

For MKB & Associates  
Company Secretaries  
Firm Reg. No.: P2010WB042700

Date: 9th June, 2021  
Place : Kolkata  
UDIN: A017190C000436532

**Raj Kumar Banthia**  
Partner  
Membership No. ACS 17190  
COP no. 18428

## Annexure - 2

## 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 – NIL  
All transactions entered into by the Company during the year with related parties were on arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis
  - (a) Name(s) of the related party and nature of relationship –  
Star Cement Limited, Enterprise Influenced by KMP
  - (b) Nature of contracts/arrangements/transactions –
    - (i) Sale, purchase or supply of any goods or materials [Section 188(1)(a) of Companies Act, 2013]
  - (c) Duration of the contracts/arrangements/transactions –  
Not Applicable
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:  
The transaction with Star Cement Limited includes sale of shares of Meghalaya Power Limited, associate company  
The transaction value for the financial year 2020-21 with SCL was ₹ 4,012.32 Lakhs.
  - (e) Date(s) of approval by the Board, if any:  
Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable. However, these are reported to the Audit Committee / Board at their quarterly meetings.
  - (f) Amount paid as advances, if any: NIL

For and on behalf of the Board of Directors

Place : Kolkata  
Date: 9th June, 2021

**Rajesh Kumar Agarwal**  
Director  
(DIN: 00223718)

**Aditya Vimalkumar Agrawal**  
Director  
(DIN: 03330313)

## Annexure - 3

**REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES/ INITIATIVES**

[Pursuant to Section 135 of the Act &amp; Rules made thereunder]

**1. A brief outline on the Company's CSR policy:**

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and as per The Companies (Corporate Social Responsibility Policy) Rules, 2014 as and when amended. The main objective of the policy is to establish the basic principles and the general framework of action for management to undertake and fulfil its Corporate Social Responsibility.

**2. The composition of the CSR Committee**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Rajesh Kumar Agarwal *	Chairman (Non-Executive Director)	1	Nil
2	Mr. Aditya Vimalkumar Agrawal	Member (Non-Executive Director)	1	1
3	Mr. Pramod Kumar Shah	Member (Independent Director)	1	1

Note: \* Appointed as the Chairman of the Committee w.e.f. 08.02.2021

**3. Provide 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 Composition of CSR Committee, CSR Policy and CSR projects as approved by the Board are available on the Company's website under the following weblink:

CSR Committee - <http://shyamcenturyferrous.com/wp-content/uploads/2021/09/Committee-Structure-Details.pdf>

CSR Policy - <http://shyamcenturyferrous.com/wp-content/uploads/2021/08/CSR-Policy-2021-1.pdf>

CSR Projects - NOT APPLICABLE

**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 (attach the report).**

NOT APPLICABLE

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1			
	<b>Total</b>		

**6. Average Net Profit of the Company for last 3 financial years: ₹ 1,017.27 Lakhs****7. (a) Two percent of average net profit of the Company as per section 135(5): ₹ 20.35 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): ₹ 20.35 Lakhs

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

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	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
₹ 20.35 Lakhs	NIL				

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (₹ in Lakhs)	Amount spent in the current financial Year (₹ in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
NOT APPLICABLE												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. 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 Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Education Project - Through One Teacher school (O.T.S.) i.e. Ekal Vidyalaya	Item No. (ii) – Promoting Education	No	Throughout the Country		22.00	Yes	Not Applicable	
2.	Health & Sanitation	Item No. (i) – Health & Sanitation	Yes	Meghalaya	Ribhoi	2.02	Yes	Not Applicable	
<b>Total</b>						<b>24.02</b>			

(d) Amount spent in Administrative Overheads – Nil

(e) Amount spent on Impact Assessment, if applicable – Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹ 24.02 Lakhs

**(g) Excess amount for set off, if any**

Sl. No.	Particular	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	20.35
(ii)	Total amount spent for the Financial Year	24.02
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3.67
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	3.67

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

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

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing
NIL								

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

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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

For and on behalf of the Board of Directors

Place : Kolkata  
Date: 9th June, 2021

**Rajesh Kumar Agarwal**  
Director  
(DIN: 00223718)  
Chairman – CSR Committee

**Aditya Vimalkumar Agrawal**  
Director  
(DIN: 03330313)

## Annexure - 4

**PARTICULARS OF MANAGERIAL REMUNERATION**

Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) **The ratio of the remuneration of each director to the median remuneration of the employees and percentage increase in remuneration of the Directors and Key Managerial Personnel of the Company for the financial year:**

Name of Directors & Key Managerial Personnel	Designation	Increase in Remuneration in the financial year (%)	Ratio of remuneration of each director to median remuneration of all employees*
Mr. Sumanta Kumar Patra##	Chief Executive Officer (appointed w.e.f 29.06.2020)	-	-
Mr. Kamlesh Pathak ##	Chief Financial Officer (resigned w.e.f. 22.03.2021)	-	-
Ms. Neha Agarwal	Company Secretary (appointed w.e.f. 30.05.2017)	3.41	-

\* None of the Directors receive any remuneration from the Company and the Independent Directors are paid only sitting fees for attending the meeting of the Board or Committee thereof.

## Since this information is for the part of the FY 2020-21, the same is not comparable.

- (ii) **Percentage increase in the median remuneration of employees in the Financial Year:** 0.94%
- (iii) **The number of permanent employees on the rolls of the Company :** 112
- (iv) **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:**

The average percentile increase in the salaries of non-managerial employees in the FY 2020-21 was NIL (other than salary of Company Secretary) while the average percentile increase in the Managerial remuneration was NIL.

- (v) **It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.**



## STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO THE SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sl. No.	Name of the Employees	Designation	Remuneration Received (₹ in Lakhs)	Nature of Employment	Qualification	Experience (Years)	Date of commencement of employment	Age (Years)	Last Employment	% of Equity Share held in the Company	Relation with Director, if any
1	Mr. Sumanta Kumar Patra	Assistant General Manager	18.30	Permanent	D.E.E + HSLC	20	22.11.2012	41	M/s. Platinum Alloys Pvt. Ltd	Nil	None
2	Mr. Kailash Chandra Biswal	Sr. Manager Production	10.26	Permanent	BA	20	10.01.2013	41	M/s. Jai Balaji Industries Ltd.	Nil	None
3	Mr. Moida Ramakrishna	Advisor HR	10.17	Permanent	M.A,BL.PG Dip PM, (NIPM)	39	06.11.2015	63	M/s. Facor Alloys Ltd	Nil	None
4	Ms. Neha Agarwal	Company Secretary	8.37	Permanent	B.Com + CS + LLB	6	30.05.2017	28	M/s. Shyam Century Cement Industries Ltd.	Nil	None
5	Mr. Uttam Kr. Mahanta	Dy. Manager (Production)	7.29	Permanent	B.Sc.	19	08.01.2013	40	M/s. Anjaney Alloys Ltd.	Nil	None
6	Mr. Mcss N. Murthy	Manager Production	6.89	Permanent	Intermediate	34	01.09.2015	57	M/s. Sarada Ferro Alloys Ltd.	Nil	None
7	Mr. Sandip Purkayastha	Assistant Manager (Stores)	6.19	Permanent	B.Sc.	20	14.01.2013	45	M/s. Shree Shakambari Ferro Alloys Private Limited	Nil	None
8	Mr. S. Sunil Acharya	Engineer (Captive Power Plant)	5.72	Permanent	I.T.I (Fitter) 2nd class boiler Attendant	13	19.05.2008	41	Enmas O & M	Nil	None
9	Mr. Ajit Singh	Manager (Laboratory)	5.59	Permanent	B.Sc.	8	01.02.2013	46	M/s. Platinum Alloys Ltd.	Nil	None
10	Mr. Sanjay Kr. Das	Assistant Manager (Mechanical)	5.46	Permanent	Diploma in Mechanical Engg.(ITI Fitter)	13	23.04.2018	37	M/s. Sree Sakasar Industries Pvt Ltd.	Nil	None

For and on behalf of the Board of Directors

**Rajesh Kumar Agarwal**  
Director  
(DIN: 00223718)

**Aditya Vimalkumar Agrawal**  
Director  
(DIN: 03330313)

Place : Kolkata  
Date: 9th June, 2021

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2020-21

The Directors present the Company's Report on Corporate Governance:

### Company's Philosophy on Corporate Governance:

The Company's philosophy on Corporate Governance is to enhance the long-term economic value of the Company at large and its stakeholders. It emphasizes the need for full transparency, accountability and compliances with laws and regulations in all its transactions and interactions with its stakeholders, employees, lenders and the Government etc., without compromising the environment and health of society at large. Your Company has complied with the requirements of Corporate Governance as laid down under SEBI Regulations.

### BOARD OF DIRECTORS

#### Composition:

As on the date of this report, the Board consists of Six Directors out of which three are Non-Executive Directors and three are Independent Directors out of which one is a woman Director. The Board members are expert in different disciplines of corporate working. The Independent Directors are expert professionals with high credentials and actively contribute in the deliberations of the Board.

None of the Directors is a member of the Board of more than twenty Companies or a Member of more than ten Board-level Committees or a Chairman of more than five such Committees. Further, none of the Directors is a member of the Board in more than seven listed entities and Independent Directors of the Company are not serving as an Independent Director in more than seven listed entities. None of the Managing Directors of the Company are serving as an Independent Director in not more than three listed entities.

\* Mr. Sumanta Kumar Patra was appointed as the Chief Executive Officer of the Company with effect from 29th June, 2020.

\*\* Mr. Kamlesh Pathak was the Chief Financial Officer of the Company upto 22nd March, 2021.

\*\*\* Mr. Uday Bahadur Chetri was appointed as the Chief Financial Officer of the Company with effect from 9th June, 2021.

The Composition is as provided below:

Name of the Director	Designation	Category
Mr. Sajjan Bhajanka	Director	Promoter - Non-Executive
Mr. Nagraj Tater*	Director	Non-Executive
Mr. Aditya Vimalkumar Agrawal	Director	Non-Executive
Mr. Hari Prasad Agarwal**	Director	Non-Executive
Mr. Rajesh Kumar Agarwal#	Director	Non-Executive
Mrs. Plistina Dkhar	Director	Independent
Mr. Pramod Kumar Shah##	Director	Independent
Mr. Santanu Ray§	Director	Independent
Mr. Nirmalya Bhattacharyya@	Director	Independent

\* Mr. Nagraj Tater ceased to be Non-Executive Director of the Company w.e.f. 11.11.2020.

\*\* Mr. Hari Prasad Agarwal was appointed as an additional director in non-independent category w.e.f. 12.11.2020, but ceased to be director of the Company w.e.f. 18.12.2020 due to his demise.

# Mr. Rajesh Kumar Agarwal was appointed as an additional director in non-independent category w.e.f. 08.02.2021.

## Mr. Pramod Kumar Shah was appointed as an additional director in independent category w.e.f. 01.04.2020.

§ Mr. Santanu Ray ceased to be director of the Company from the closure of business hours of 31st March, 2021 due to end of his tenure as an independent director of the Company.

@ Mr. Nirmalya Bhattacharyya was appointed as an additional director in independent category w.e.f. 01.04.2021.

**Directorship, Committee membership and Chairmanship**

The details of each member of the Board along with the number of Directorship(s)/Committee Membership(s) and Committee Chairmanship/ name of listed entities where he/she is a Director and category of Directorship as on date of this report are provided herein below:

Name of the Director	Number of Directorship of Public Limited Companies *	Number of Membership including Chairmanship of Board Committee(s) **	Name of listed entities where he/she is a Director and category of Directorship
Mr. Sajjan Bhajanka	7	4	1. Century Plyboards (India) Limited - Managing Director 2. Star Cement Limited – Managing Director
Mr. Nagraj Tater*	1	1	-
Mr. Aditya Vimalkumar Agrawal	4	2	-
Mr. Hari Prasad Agarwal**	Not Applicable		
Mr. Rajesh Kumar Agarwal#	10	3 (1 as Chairman)	Century Plyboards (India) Limited - Additional Director
Mr. Pramod Kumar Shah ##	10	10 (5 as Chairman)	1. Emami Frank Ross Limited - Independent Director 2. Skipper Limited – Independent Director 3. Star Cement Limited – Independent Director
Mr. Santanu Ray\$	9	10 (4 as Chairman)	1. Century Plyboards (India) Limited - Independent Director 2. LA Opala R G Limited – Independent Director 3. Star Cement Limited – Independent Director 4. SKP Securities Limited – Independent Director 5. Genesis Export Limited – Independent Director 6. Bharat Road Network Limited – Independent Director
Mrs. Plistina Dkhar	4	-	Star Cement Limited – Independent Director
Mr. Nirmalya Bhattacharyya@	3	4 (1 as Chairman)	-

\* Includes Private Companies which are subsidiaries of Public Limited Companies, Unlimited Liability Companies, Companies registered under Section 8 of the Companies Act, 2013, Membership of Managing Committees of Chambers of Commerce/ Professional Bodies but excludes Foreign Companies.

\*\* Only Audit Committee and Stakeholders' Relationship Committee have been considered as per SEBI Regulations.

\* Mr. Nagraj Tater ceased to be Non-Executive Director of the Company w.e.f. 11.11.2020.

\*\* Mr. Hari Prasad Agarwal was appointed as an additional director in non-independent category w.e.f. 12.11.2020, but ceased to be director of the Company w.e.f. 18.12.2020 due to sudden demise.

# Mr. Rajesh Kumar Agarwal was appointed as an additional director in non-independent category w.e.f. 08.02.2021.

## Mr. Pramod Kumar Shah was appointed as an additional director in independent category w.e.f. 01.04.2020.

\$ Mr. Santanu Ray ceased to be director of the Company from the closure of business hours of 31st March, 2021 due to end of his tenure as independent director of the Company.

@ Mr. Nirmalya Bhattacharyya was appointed as an additional director in independent category w.e.f. 01.04.2021.

**The list of core skills/ expertise/competencies as identified by the Board of Directors as required in the context of business and sector for it to function effectively and those actually available with the Board of Directors :-**

Industry, Leadership, Accounts & Finance, Taxes, Production, Technical, Logistics, Legal, Sales, Marketing, Branding, Risks, Administration and General Management, Board procedures and Governance.

**List of Directors possessing the aforesaid skills/expertise and competencies:**

Name of Directors	Skills/Expertise and Competencies
Mr. Sajjan Bhajanka	Industry, Leadership, Accounts & Finance, Production, Technical, Logistics, Legal, Sales, Marketing, Branding, Board procedures and Governance
Mr. Aditya Vimalkumar Agrawal	Administration and General Management, Industry, Accounts & Finance, Production, Technical, Logistics, Sales, Marketing, Board procedures and Governance
Mr. Rajesh Kumar Agarwal <sup>#</sup>	Industry, Accounts & Finance and Audit & Internal Audit, Taxation, Risk, Board procedures and Governance etc.
Mr. Pramod Kumar Shah	Accounts & Finance and Audit & Internal Audit, Taxation, Risk, Board procedures, Governance etc.
Mr. Santanu Ray <sup>§</sup>	Accounts & Finance and Audit & Internal Audit, Taxation, Risk, Board procedures, Governance etc.
Mrs. Plistina Dkhar	Administration and General management, Board procedures, Governance etc.
Mr. Nirmalya Bhattacharyya <sup>@</sup>	Administration, Banking, Personality Development, Human Behaviours

<sup>#</sup> Mr. Rajesh Kumar Agarwal was appointed as an additional director in independent category w.e.f. 08.02.2021.

<sup>@</sup> Mr. Santanu Ray ceased to be director of the Company from the closure of business hours of 31st March, 2021 due to end of his tenure as independent director of the Company.

<sup>@</sup> Mr. Nirmalya Bhattacharyya was appointed as an additional director in independent category w.e.f. 01.04.2021.

In the opinion of the Board of Directors, the Independent Directors fulfill the conditions specified in the listing regulations and are independent of the management.

**Board Meetings and Procedures**

The Board meets at regular intervals to discuss and decide on the policies and strategies with respect to the business of the Company apart from normal business. The Board generally meets at least once in every quarter to review the Quarterly results. Additional meetings are held as and when necessary.

All the meetings are scheduled well in advance and notices are sent to all the Directors at their address registered with the Company. The agenda of the meeting are backed by necessary supporting information and documents to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Board Committees for the information of the Board. Additional agenda items in the form of "Other Business" are included with the permission of

the Chairman and consent of the members. Drafts minutes of the proceedings of the Board/Committee Meetings are circulated in advance and comments, if any, received from the Directors are incorporated in the minutes in consultation with the Chairman. The Board periodically reviews compliance reports of all laws applicable to the Company. Information about major events/items is placed before the Board and approval of the Board is taken on all such matters wherever such approval is required. Senior executives of the Company are invited as and when required to provide additional inputs or clarifications required on agenda items being discussed in the Board Meeting.

**Number and dates of Board Meetings held during the year**

Four (4) Board Meetings were held during the FY 2020-21 and the gap between two meetings did not exceed four months. The Meetings were held on 25th June, 2020, 11th August, 2020, 11th November, 2020 and 08th February, 2021.

The Attendance at the Board Meetings during the FY 2020-21 and at the previous Annual General Meeting is as under:

Name of Director	No. of Board Meeting Attended	Last AGM Attended
Mr. Sajjan Bhajanka	4	Yes
Mr. Nagraj Tater*	1	Yes
Mrs. Plistina Dkhar	1	No
Mr. Hari Prasad Agarwal**	-	-
Mr. Rajesh Kumar Agarwal#	Nil	-
Mr. Santanu Ray§	4	Yes
Mr. Aditya Vimalkumar Agrawal	4	Yes
Mr. Pramod Kumar Shah##	4	Yes
Mr. Nirmalya Bhattacharyya®	-	-

\* Mr. Nagraj Tater ceased to be Non-Executive Director of the Company w.e.f. 11.11.2020.

\*\* Mr. Hari Prasad Agarwal was appointed as an additional director in non-independent category w.e.f. 12.11.2020, but ceased to be director of the Company w.e.f. 18.12.2020 due to sudden demise.

§ Mr. Santanu Ray ceased to be director of the Company from the closure of business hours of 31st March, 2021 due to end of his tenure as independent director of the Company.

# Mr. Rajesh Kumar Agarwal was appointed as an additional director in non-independent category w.e.f. 08.02.2021.

## Mr. Pramod Kumar Shah was appointed as an additional director in independent category w.e.f. 01.04.2020.

® Mr. Nirmalya Bhattacharyya was appointed as an additional director in independent category w.e.f. 01.04.2021.

#### Separate Meeting of Independent Directors

As stipulated by the Code for Independent Directors under the Companies Act, 2013 and the SEBI Regulations, separate meetings of the Independent Directors of the Company were held on 12th March, 2021, to review the performance of Non-Independent Directors and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and Committees, which is necessary to effectively and reasonably perform and discharge their duties.

#### Induction and Familiarisation Program for Directors

As per the Listing Regulations, the Company shall provide suitable training to the Directors to familiarize them with the Company, nature of the industry in which the Company operates etc. The members of the Board of Directors are well acquainted with the industry and are provided necessary

reports, documents and other presentations including interactive session with CEO and other heads of the Company. Efforts are made to familiarize the Directors about their roles, rights, and responsibilities. The Directors are regularly updated on the changes in policies, laws and regulations and other developments in the business. The details of the Director's induction and familiarisation are available on the Company's website at [http://shyamcenturyferrous.com/wp-content/uploads/2015/10/Familiarization\\_Programme\\_for\\_Independent\\_Directors.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2015/10/Familiarization_Programme_for_Independent_Directors.pdf)

#### Performance Evaluation

Pursuant to the provisions of the Companies Act and the SEBI Regulations, the Board has carried out the annual performance evaluation of its own performance, as well as the evaluation of the working of its Committees. A structured questionnaire for evaluation was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgement. The performance evaluation of the Non-Independent Directors and Board as a whole was also carried out by the Independent Directors.

The results of the Evaluation were shared with the Board, Chairman of respective Committees and individual Directors. The Directors expressed their satisfaction over the evaluation process.

#### Resume of Directors proposed to be re-appointed/appointed

The brief resume of Directors retiring by rotation and seeking re-appointment/appointment is appended in the notice convening the Annual General Meeting.

#### COMMITTEES OF THE BOARD

Currently, the Board has five Committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Finance Committee. The terms of reference of these Committees are determined by the Board and subject to be reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all members of Committee individually and tabled at the Board Meetings.

#### AUDIT COMMITTEE:

The Audit Committee is governed by a Charter which is in line with the regulatory requirements mandated by the

Companies Act, 2013 and the Listing Regulations. The Committee is responsible for the effective supervision of the financial reporting processes to ensure accurate, timely, and proper disclosures and transparency, integrity and quality of financial reporting.

The terms of reference of the Audit Committee are broadly inter alia as follows:

- i. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- vi. Reviewing, with the management, the statement of uses /application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the Company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. Discussion with internal auditors of any significant findings and follow up there on;
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit, audit observations as well as post-audit discussion to ascertain any area of concern;
- xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii. To review the functioning of the Whistle Blower mechanism;
- xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- xx. To review utilisation of loans and/ or advances by holding Company in subsidiary companies exceeding ₹ 100.00 Crore or 10% of asset size of subsidiary whichever is lower.
- xxi. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

#### **Composition, number of Meetings and Attendance:**

The Audit Committee met four (4) times during the FY 2020-21. The Audit Committee's composition meets the requirements of Section 177 of the Companies Act, 2013 and SEBI Regulations. The Members of the Audit Committee possess financial/ accounting expertise/ exposure. The Committee was chaired by Mr. Pramod Kumar Shah who was appointed as the independent director of the Company and as the Chairman of the Audit Committee w.e.f. 01st April, 2020. The meetings were held on 25th June, 2020, 11th August, 2020, 11th November, 2020 and 08th February, 2021.

The Audit Committee comprises of the following members and the details of meetings attended by the Directors are as under:

<b>Name</b>	<b>Category</b>	<b>Designation</b>	<b>No. of Committee Meetings attended</b>
Mr. Pramod Kumar Shah*	Non-Executive Independent	Chairman	4
Mr. Santanu Ray**	Non-Executive Independent	Member	4
Mr. Aditya Vimalkumar Agrawal	Non-Executive, Non Independent	Member	4
Mr. Nirmalya Bhattacharyya#	Non-Executive Independent	Member	-

\* Mr. Pramod Kumar Shah was appointed as an additional director in independent category and the member and Chairman of the said committee w.e.f. 01.04.2020.

\*\* Mr. Santanu Ray ceased to be Independent Director of the Company due to end of his tenure from the closure of business hours of 31st March, 2021.

# Mr. Nirmalya Bhattacharyya was appointed as an additional director in the independent category and member of the said Committee w.e.f. 01st April, 2021.

Audit Committee meetings are attended by the Chief Executive Officer, Chief Financial Officer of the Company and Representatives of Statutory Auditors and Internal Auditors are invitees for the relevant meetings. The Company Secretary acts as the Secretary of the Audit Committee.

**NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee determines on behalf of the Board and shareholders as per agreed terms of reference, the Company's policy on specific remuneration packages for Executive Directors, Key Managerial Personnel and other employees. The Chairman of the Committee is an Independent Director and the Members of the Committee are Non - Executive Directors.

The broad terms of reference of the Committee inter alia are as follows:

- i. Formulation of the criteria for determining 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;
- ii. Formulation of criteria for evaluation of performance of Directors
- iii. Devising a policy on Board diversity;
- iv. 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;

- v. Recommending/reviewing remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
- vi. To recommend all remuneration payable to Senior Management in whatever form.

**Remuneration Policy:**

The Company has formulated a remuneration policy with a focus on attracting talent and rewarding performance based on review of achievements.

The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "Executives"). The expression "senior management" shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the Chief Executive Officer/Managing Director/Whole time Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer.

The remuneration to be paid to the Executive Directors, if any, shall be recommended by the Nomination & Remuneration Committee based on the Net Profits of the Company which are then approved by the Board of Directors of the Company and the Shareholders of the Company in their respective meetings. The remuneration to be paid to the Executive Directors was determined and based on the industry benchmark, performance of the Company to the industry performance. Independent Non-Executive Directors are appointed for their performance expertise in their individual capacity as individual Professionals/Business Executives. Independent Non-Executive Directors are paid sitting fees for attending Board/Committee Meetings.

The appointment of the Executive Directors, if any is governed by the resolutions passed by the Board and shareholders. The service agreement is entered into with them. There is no provision for payment of severance fee under the resolutions governing appointment of Executive Directors. A notice period of three months is required to be given by the Executive Director seeking to vacate the office. The Company has no stock option plans and such option is not included in the remuneration package. During the year under review, none of the Directors was paid any bonus, pension or performance bonus. Formal appointment letter is issued to the Independent Directors and the terms and conditions of the appointment of Independent Directors is available on the website of the Company. The Nomination & Remuneration

Committee to recommend all remuneration payable to the Senior Management.

The Remuneration Policy of the Company is available on the Company's website at: [http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL\\_Remuneration-Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL_Remuneration-Policy.pdf)

#### Composition, number of Meetings and Attendance

The composition of the Nomination and Remuneration Committee is in accordance with the regulatory requirements specified by Section 178 of the Companies Act, 2013 and the Listing Regulations. The Company Secretary acts as Secretary to the Committee. The Remuneration Committee meetings were held on 25th June, 2020, 11th November, 2020 and 08th February, 2021 during the FY 2020-21.

The composition of the Nomination and Remuneration Committee and the details of meetings attended by the Directors are as under:

Name	Category	Designation	No. of Committee Meetings attended
Mr. Santanu Ray <sup>@</sup>	Independent, Non-Executive	Chairman	3
Mr. Pramod Kumar Shah <sup>*</sup>	Independent, Non-Executive	Member	3
Mr. Hari Prasad Agarwal <sup>**</sup>	Non – Independent, Non-Executive	Member	NA
Mr. Nagraj Tater <sup>@</sup>	Non-Independent, Non-Executive	Member	1

#### Remuneration of Directors:

The details of remuneration paid to Directors for the FY 2020-21 are provided below:

Sl. No.	Name of the Director	Designation	Salary (₹)	Sitting Fees (₹)	No. of shares held as on 31.03.2021
1	Mr. Sajjan Bhajanka	Non – Executive Director	Nil	Nil	1,12,34,493
2	Mr. Nagraj Tater <sup>*</sup>	Non – Executive Director	Nil	Nil	9,000
3	Mr. Aditya Vimalkumar Agrawal	Non – Executive Director	Nil	Nil	45,00,000
4	Mr. Hari Prasad Agarwal <sup>**</sup>	Non – Executive Director	Nil	Nil	Nil
5	Mr. Rajesh Kumar Agarwal <sup>#</sup>	Non – Executive Director	Nil	Nil	31,80,985
6	Mr. Pramod Kumar Shah	Independent Director	Nil	90,000	Nil
7	Mr. Santanu Ray	Independent Director	Nil	90,000	Nil
8	Mrs. Plistina Dkhar	Independent Director	Nil	10,000	750

<sup>\*</sup> Mr. Nagraj Tater ceased to be Non-Executive Director of the Company w.e.f. 11.11.2020.

<sup>\*\*</sup> Mr. Hari Prasad Agarwal was appointed as an additional director in non-independent category w.e.f. 12.11.2020, but ceased to be director of the Company w.e.f. 18.12.2020 due to sudden demise.

<sup>#</sup> Mr. Rajesh Kumar Agarwal was appointed as an additional director in non-independent category w.e.f. 08.02.2021.

None of the Directors of the Company/Key Managerial Personnel had any pecuniary relationship with the Company during the year.

Name	Category	Designation	No. of Committee Meetings attended
Mr. Rajesh Kumar Agarwal <sup>#</sup>	Non – Independent, Non-Executive	Member	NA
Mr. Nirmalya Bhattacharyya <sup>##</sup>	Independent, Non-Executive	Member	NA

<sup>@</sup> Mr. Santanu Ray ceased to be director of the Company from the closure of business hours of 31st March, 2021 due to end of his tenure as independent director of the Company.

<sup>\*</sup> Mr. Pramod Kumar Shah was appointed as an additional director in independent category and the member of the said committee w.e.f. 01.04.2020.

<sup>\*\*</sup> Mr. Hari Prasad Agarwal was appointed as an additional director in non-independent category w.e.f. 12.11.2020, but ceased to be director of the Company w.e.f. 18.12.2020 due to sudden demise.

<sup>#</sup> Mr. Rajesh Kumar Agarwal was appointed as an additional director in non-independent category and member of the said committee w.e.f. 08.02.2021.

<sup>##</sup> Mr. Nirmalya Bhattacharyya was appointed as an additional director in the independent category and member and Chairman of the said committee w.e.f. 1st April, 2021.

<sup>@</sup> Mr. Nagraj Tater ceased to be Non-Executive Director of the Company and member of committee w.e.f. 11.11.2020



**STAKEHOLDERS' RELATIONSHIP COMMITTEE**

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the SEBI Regulations, the Board has constituted "Stakeholders' Relationship Committee".

The Committee's responsibility is to oversee Share Transfers and addressing to and redressal of shareholders' grievances etc. The Committee also evaluates performance and service standards of the Registrar and Share Transfer Agents of the Company.

The terms of reference of the Committee includes:

- i. Review the process and mechanism of redressal of investor grievance and suggest measures of improving the system of redressal of investor grievances.
- ii. Consider and approve all requests from shareholders regarding transfer & transmission of shares, issue of duplicate share certificate, consolidation of shares, demat, remat, split & folio consolidation etc.
- iii. Review and resolve the pending investors complaints, if any, relating to transfer of shares, non-receipt of share certificate(s), non-receipt of interest dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- iv. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolve them.
- v. To review measures for effective voting rights, adherence to service standards adopted by the Registrars & Share Transfer Agent and measures undertaken for reducing quantum of unclaimed dividend.

The Composition of the Stakeholders Relationship Committee and the details of the meeting attended by the members are given below:

Name	Category	Designation	No. of Committee Meetings attended
Mr. Santanu Ray@	Non-Executive, Independent	Chairman	1
Mr. Rajesh Kumar Agarwal*	Non – Independent	Chairman	NA
Mr. Nagraj Tater**	Non- Executive, Non – Independent	Chairman	1

Name	Category	Designation	No. of Committee Meetings attended
Mr. Aditya VimalKumar Agrawal	Non-Executive, Non – Independent	Member	1
Mr. Nirmalya Bhattacharyya#	Non-Executive, Independent	Member	NA

- @ Mr. Santanu Ray ceased to be director of the Company from the closure of business hours of 31st March, 2021 due to end of his tenure as independent director of the Company.
- \* Mr. Rajesh Kumar Agarwal was appointed as an additional director in the non-independent Category and member and Chairman of the said committee w.e.f. 08.02.2021.
- \*\* Mr. Nagraj Tater appointed as Chairman of the Committee in place of Mr. Santanu Ray w.e.f. 25th June, 2020 and Mr. Santanu Ray continues as a member of the Committee. Thereafter Nagraj Tater Ceased to be Director of the Company and member of the said committee w.e.f. 11th November, 2020.
- # Mr. Nirmalya Bhattacharyya was appointed as an additional Director in the independent category and member of the said Committee w.e.f. 01st April, 2021.

The Company Secretary acts as Secretary to the Committee.

**Meetings and Attendance**

During the FY 2020 - 21, the Stakeholders Relationship Committee met only once on 28th August, 2020.

**Status of Pending Complaints:**

The Company has not received any Complaints during the FY 2020-21. There were no complaints pending at the beginning and at the end of the Financial Year. However, during the year under review letters on various matters were received and were duly addressed.

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The Company has constituted Corporate Social Responsibility Committee (CSR) as required under Section 135 of the Companies Act 2013. The Committee consists of three Directors out of which one Director is an Independent Director.

The terms of reference of the Committee are as follows:

- i. To formulate and recommend to the Board a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- ii. To formulate and recommend to the Board an annual action plan in pursuance of CSR Policy.

**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2020-21 (Contd.)**

- iii. To recommend the amount of expenditure to be incurred on CSR activities
- iv. To oversee that Company's CSR Implementing Agencies are registered with the Ministry of Corporate Affairs.

The Corporate Social Responsibility Committee comprises of the following three members and details of the meeting attended by them are given below:

Name	Category	Designation	No. of Committee Meetings attended
Mr. Rajesh Kumar Agarwal*	Non-Executive, Non-Independent	Chairman	-
Mr. Hari Prasad Agarwal**	Non-Executive, Non-Independent	Chairman	-
Mr. Nagraj Tater***	Non-Executive, Non-Independent	Chairman	1
Mr. Pramod Kumar Shah	Non-Executive, Independent	Member	1
Mr. Aditya Vimal kumar Agrawal	Non-Executive, Non-Independent	Member	1

- \* Mr. Rajesh Kumar Agarwal was appointed as an additional director in the non-independent category and Chairman of the said Committee w.e.f. 08.02.2021.
- \*\* Mr. Hari Prasad Agarwal was appointed as an additional director in non-independent category and Chairman of the said Committee w.e.f. 12.11.2020, but ceased to be director of the Company w.e.f. 18.12.2020 due to sudden demise.
- \*\*\* Mr. Nagraj Tater ceased to be Director of the Company and Chairman of the said committee w.e.f. 11th November, 2020.

**Meetings and Attendance:**

The Corporate Social Responsibility Committee met once on 25th June, 2020 during the FY 20-21. All the Members of the Committee attended the meeting.

The CSR Policy of the Company is available on the Company's website at: <http://shyamcenturyferrous.com/wp-content/uploads/2021/08/CSR-Policy-2021-1.pdf>

There was no instances where recommendations of the Committee not accepted by the Board of Directors.

**FINANCE COMMITTEE**

The Company has constituted a Finance Committee. The Finance Committee deals within the terms of reference defined by the Board and ensures their expeditious implementation.

The terms of reference of the Committee are as follows:

- To approve the opening of and modification in operation of bank accounts, including closure thereof.
- Borrow money by way of loan for the purpose of financing new projects, refinancing the existing debt, capital expenditure, general corporate purposes including working capital requirements and possible strategic investments and take necessary actions connected therewith.
- Provide corporate guarantee/performance guarantee from the Company for credit facilities availed by its subsidiaries or by any other entity.
- Opening, modification and closure of trading and demat accounts required for securities, derivatives and all other Options.
- Monitoring of loans and advances granted by the Company as approved by the Board of Directors from time to time.
- Approve availing of online banking facilities in all forms including but not limited to viewing rights, transaction rights, application for Letters of Credit, Bank Guarantees, Buyers Credit and carry out all trade related transactions through internet.
- Take decisions in connection with any arrangement, document or matter necessary, ancillary, incidental or desirable to give effect to all its powers and authority.
- Any other financial issues or other matters, whether out of and incidental to these functions or not, as may be assigned by the Board.

The Finance Committee comprises of the following three members and details of the meeting attended by them are given below:

Name	Category	Designation	No. of Committee Meetings attended
Mr. Sajjan Bhajanka	Non-Executive, Non-Independent	Chairman	2
Mr. Rajesh Kumar Agarwal*	Non-Executive, Non-Independent	Member	-
Mr. Nagraj Tater**	Non-Executive, Non-Independent	Member	1
Mr. Aditya Vimal kumar Agrawal	Non-Executive, Non-Independent	Member	2

- \* Mr. Rajesh Kumar Agarwal was appointed as an additional director in the non-independent category and member of the said committee w.e.f. 08.02.2021.
- \*\* Mr. Nagraj Tater Ceased to be Director of the Company and member of the said committee w.e.f. 11th November, 2020.

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2020-21 (Contd.)

**Meetings and Attendance**

The Finance Committee meetings were held on 25th June, 2020 and 11th August, 2020 during the FY 20-21 and attendance of members are given herein above.

**VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Board of Directors of the Company has adopted a Vigil Mechanism Policy. This mechanism provides a tool in the hands of Employees and Directors to report to the Management, concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy, leakage of unpublished price sensitive information etc., The mechanism provides for adequate safeguards against victimisation of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

**GENERAL BODY MEETINGS:****Particulars of last three Annual General Meetings:**

Financial Year	Venue	Date and time
2019-20	Through Video Conferencing, Deemed Venue: Village: Lumshnong, P.O. Khaliehriat, Dist.: East Jaintia Hills, Meghalaya-793210	29th September, 2020 at 4:00 p.m.
2018-19	'Star Club', Village: Lumshnong, P.O. Khaliehriat, Dist.: East Jaintia Hills, Meghalaya-793210	27th September, 2019 at 4.00 p.m.
2017-18	'Star Club', Village: Lumshnong, P.O. Khaliehriat, Dist.: East Jaintia Hills, Meghalaya-793210	31st July, 2018 at 4.00 p.m.

**Details of Special Resolution passed in the last three Annual General Meeting:**

AGM	Date	Matter
7th	31.07.2018	NIL
8th	27.09.2019	1. Re-appointment of Mr. Santanu Ray as an Independent Director 2. Re-appointment of Mrs. Plistina Dkhar as an Independent Director
9th	29.09.2020	NIL

**Details of Special Resolution proposed to be conducted through Postal Ballot and procedure:**

None of the businesses proposed to be transacted requires passing of a special resolution through postal ballot.

No Extra-Ordinary General meeting of the Shareholders was held during the year.

**DISCLOSURES:**

- No materially significant related party transactions took place between the Company and its subsidiaries, its Promoters, Directors or the Management and their relatives which have a bearing on interests of the Company at large. Other Related Party transactions as per requirements of Accounting Standard 18 have been reported in Notes to Accounts annexed to the financial statements. The policy on related party transaction has been placed on the Company's website at [http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL\\_Related-Party-Policy-1.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL_Related-Party-Policy-1.pdf)
- There has been no instance of non-compliance by the Company on any matter related to capital markets and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.
- There has been no instance where the Board of Directors had not accepted any recommendation of any Committee of the Board which is mandatorily required in the relevant financial year.
- The Company has a well-defined risk management framework and the Board is kept informed about the risk assessment and minimisation procedures. The risk policy provides for identification of risk, its assessments and procedures to minimise risk. The risk management policy is reviewed periodically to ensure that the executive management controls the risk as per decided policy.
- The Company's policy on Vigil mechanism is placed on the Company's website at [http://shyamcenturyferrous.com/wp-content/uploads/2021/09/SCFL\\_Whistle-Blower-Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2021/09/SCFL_Whistle-Blower-Policy.pdf). We hereby affirm that no personnel have been denied access to the Audit Committee.
- The Directors of the Company are not related inter-se.
- The Financial statements of the Company are prepared in accordance with the Accounting Standards stipulated under the Companies Act.
- During the year under review, the Company has not raised any money through public issue.
- During the year under review no instances of sexual harassment reported.
- The Company's policy on "material subsidiary" is placed on the Company's website at [http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL\\_Policy-on-Material-subsiary.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL_Policy-on-Material-subsiary.pdf).
- A Certificate from a Company Secretary in Practice confirming that none of the Directors on the Board of your Company have been debarred or disqualified from being appointed or continuing as Directors of companies

**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2020-21 (Contd.)**

by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such Statutory Authority forms part of this Annual Report.

- Total consolidated fees paid for all services rendered by the Statutory Auditors to the Company during the year under review was ₹ 3.75 Lacs.
- The status of compliance with discretionary requirements specified in Part E of Schedule II of the Listing Regulations is provided below:
  - a) Non-Executive Chairman's Office: The Company does not have regular Non – Executive chairperson.
  - b) Shareholders' Rights: As the quarterly, half yearly and annual results of the Company along with significant events, if any, are published in the newspapers and also posted on the Company's website and Stock Exchanges where shares of the Company are listed, the same are not being sent individually to the shareholders.
  - c) Modified Opinion in Audit Report: The Company's financial statement for the year ended 31st March, 2021 does not contain any modified audit opinion.
  - d) Separate posts of Chairman and CEO: The positions of Chairman and Chief Executive Officer (CEO) are separate.
  - e) Reporting of Internal Auditor: The Internal Auditor reports directly to the Audit Committee.
- The Company has complied with the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub regulation (2) of regulation 46 of the LODR.

**CREDIT RATINGS**

Your Company enjoys a sound reputation for its prudent financial management and its ability to meet financial obligations. CARE Ratings, has reaffirmed the Company's short term rating to "CARE A3+" (pronounced CARE A three plus, outlook stable) and the long term rating to "CARE BBB+, Stable" (pronounced as CARE Triple B Plus; Outlook: Stable).

**CODE OF CONDUCT**

In pursuance of the SEBI Regulations, the Board has approved the 'Code of Conduct for Board of Directors and Senior Management' and same has been circulated and posted on the Company's website [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com). The Directors and Senior Management personnel have affirmed compliance with the provisions of above Code of Conduct. The declaration by the Chief Executive Officer to this effect is also attached to this Report.

**MEANS OF COMMUNICATION**

The Company's quarterly financial results, after their approval by the Board of Directors, are promptly issued to all the Stock Exchanges with whom the Company has listing arrangements. These financial results, in the prescribed

format, as per SEBI Regulations, are published in prominent English and Khasi (Regional language) newspapers usually in 'Financial Express' and 'Hima'. The quarterly financial results and official news are also posted on the website of the Company - [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com).

The audited financial statements form a part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting. The Annual Report of the Company, the quarterly / half yearly and the annual results of the Company are also placed on the Company's website: [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com) and can be downloaded.

All periodical compliance filings like shareholding pattern, corporate governance report, investor presentations, media releases, among others are filed electronically on NSE Electronic Application Processing System (NEAPS) and BSE's Listing Centre which are web-based applications designed by NSE and BSE respectively for corporates and are displayed on the Company's website.

The Company has designated the following email id exclusively for investor serving: [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com)

**MANAGEMENT DISCUSSION AND ANALYSIS**

A Management Discussion and Analysis Report, forms a part of the Directors' Report.

**GENERAL SHAREHOLDER INFORMATION****Annual General Meeting**

Date and Time	30th September, 2021 at 02:00 P.M
Venue	Annual General Meeting be conducted through Video Conferencing / other Audio Visual means facility. [Deemed venue of Meeting at Registered office at Village : Lumshnong, PO : Khaliehriat, Dist. East Jaintia Hills, Meghalaya – 793210]
Dates of Book Closure	29th September, 2021 to 30th September, 2021 (both days inclusive)

**Financial Calendar (for the year 2021-22)**

The Company follows financial year starting from 1st of April of the financial year and ending on 31st March of the following year.

**Proposed date for approval of financial results**

First Quarter ended 30th June, 2021	Within 45 days from the end of quarter
Second Quarter ended 30th September, 2021	Within 45 days from the end of quarter
Third Quarter ended 31st December, 2021	Within 45 days from the end of quarter
Fourth/Last Quarter ended 31st March, 2022	Within 60 days from the end of quarter

**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2020-21 (Contd.)**

**Listing on Stock Exchanges**

The Shares of the Company are presently listed on the following Stock Exchanges:-

**a) National Stock Exchange of India Ltd (NSE)**

Exchange Plaza, Bandra –Kurla Complex, Bandra (E)  
Mumbai- 400 051  
Stock Code - SHYAMCENT

**b) BSE Ltd. (BSE)**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001  
Stock Code - 539252

The Company has paid listing fees to NSE and BSE for the year 2021 – 22.

Annual Custody/Issuer fee for the year 2020-21 has been paid by the Company to NSDL and CDSL.

Bills for the year 2021-22 has been received and paid by the Company.

**ISIN Allotted to the Company by the Depositories**

The Company has signed Depository agreement with both National Securities Depository Limited and Central Depository Services (India) Limited. The ISIN allotted to the Company is INE979R01011.

**Corporate Identity Number (CIN)**

L27310ML2011PLC008578

**Market Information**

Market Price Data: High, Low (based on the closing prices) and volume of shares traded at BSE and NSE, for the FY 20-21 are as follows:

Month	Bombay Stock Exchange			National Stock Exchange		
	High	Low	Volume	High	Low	Volume
April 2020	2.13	1.85	2,022	2.65	1.90	3,03,443
May 2020	3.30	2.23	42,102	3.30	2.25	2,58,287
June 2020	3.95	3.20	1,26,286	3.90	3.30	6,05,539
July 2020	4.10	3.07	63,503	4.05	3.05	4,99,078
August 2020	3.93	2.96	1,94,755	3.90	3.00	8,21,608
September 2020	5.39	3.74	2,29,027	5.30	3.75	12,34,120
October 2020	4.25	3.45	1,51,154	4.25	3.35	8,58,453
November 2020	4.12	3.66	1,80,888	4.05	3.60	7,37,319
December 2020	7.80	3.80	12,54,054	7.75	3.75	27,95,463
January 2021	7.80	5.44	9,45,826	7.70	5.35	24,76,247
February 2021	6.56	5.16	4,39,125	6.45	5.00	15,95,947
March 2021	6.08	4.82	2,64,337	5.80	5.05	13,14,915

Performance of the Shares of the Company in comparison to BSE Sensex is as under

Month	BSE Sensex		Company's Share	
	Closing	% Change	Closing	% Change
April 2020	33,717.62	14.42	2.13	20.34
May 2020	32,424.10	(3.84)	3.30	54.93
June 2020	34,915.80	7.68	3.92	18.79
July 2020	37,606.89	7.71	3.23	(17.60)
August 2020	38,628.29	2.72	3.93	21.67
September 2020	38,067.93	(1.45)	4.14	5.34
October 2020	39,614.07	4.06	3.78	(8.70)
November 2020	44,149.72	11.45	3.95	4.50
December 2020	47,751.33	8.16	6.54	65.57
January 2021	46,285.77	(3.07)	6.05	(7.49)
February 2021	49,099.99	6.08	5.58	(7.77)
March 2021	49,509.15	0.83	5.19	(6.99)

**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2020-21 (Contd.)****Registrars and Share Transfer Agents**

M/s Maheshwari Datamatics Private Limited  
 23, R. N. Mukherjee Road,  
 5th floor, Kolkata- 700001  
 Phone: 033 22435029/22482248  
 Fax - 033 22484787  
 Email - [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

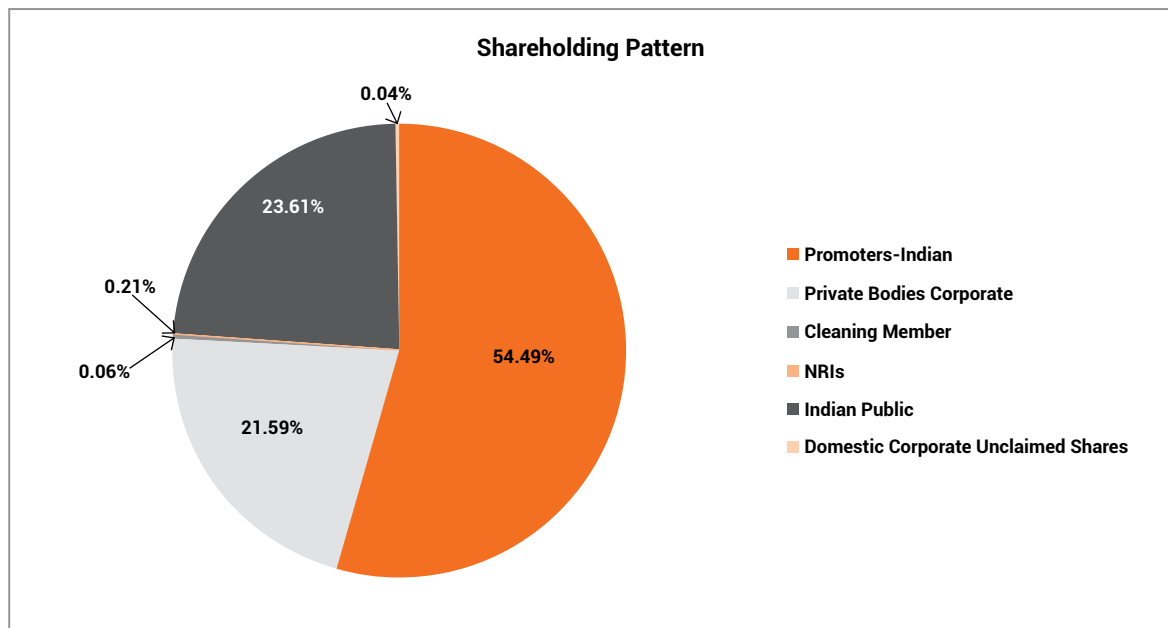
**Share Transfer System**

Requests for transfer of shares can be lodged either at the office of the Company or at the office of the Registrar. The transfers are normally processed within a maximum period of 15 days from the receipt of documents, complete in all respect.

Transfer of Shares in dematerialized form is duly processed by NSDL/CDSL in electronic form through the respective Depository participants. Dematerialisation is required to be done within a period of 15 days from the date of lodgment of Dematerialisation request, complete in all respect, with the Depository Participant of the Shareholder.

**Distribution of Shareholding of Ordinary Shares as on 31st March, 2021**

Shareholding	Total No. of Shareholders	%	No. of Shares	%
1- 500	9,481	70.19	11,80,439	0.53
501-1000	1,406	10.41	12,47,583	0.56
1001-5000	1,783	13.20	45,67,192	2.06
5001-10000	412	3.05	31,58,457	1.42
10001- 20000	213	1.58	30,86,669	1.39
20001 and above	212	1.57	20,89,32,650	94.04
<b>Total</b>	<b>13,507</b>	<b>100</b>	<b>22,21,72,990</b>	<b>100</b>

**Shareholding Pattern as on 31st March, 2021**

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2020-21 (Contd.)

Category	Number of Shareholders*	Number of Shares	% of total Share Capital
Promoter and Promoter Group	21	12,10,53,155	54.49
Bodies Corporate	156	4,79,61,896	21.59
Clearing Member	27	1,39,285	0.06
NRIs	172	4,58,149	0.21
Individual	12,808	5,24,66,925	23.61
Domestic Corporate Unclaimed Shares	1	93,580	0.04
<b>TOTAL</b>	<b>13,185</b>	<b>22,21,72,990</b>	<b>100.00</b>

\*Note: In terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated 19.12.2017 shareholding of the promoter and promoter group, public shareholder and non-public non-promoter shareholder has been consolidated on the basis of the PAN and folio number.

**Dematerialisation of shares and liquidity**

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the Depositories in India – National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL).

22,16,60,603 Ordinary Shares of the Company representing 99.77% of the Company's share capital are dematerialised as on 31st March, 2021.

The Company has never issued any GDR/ADR/ warrants or any convertible instruments.

**RECONCILIATION OF SHARE CAPITAL AUDIT:**

- Pursuant to Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificates on half-yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company.
- A Practicing Company Secretary carries out the reconciliation of Share Capital of the Company for every Quarter to reconcile the total capital admitted with National Securities Depository Limited and Central Depository Services (India) Limited ('Depositories') and the total issued and listed capital of the Company. The Audit confirms that the total issued / paid up Capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form.

**DISCLOSURES WITH RESPECT TO UNCLAIMED SHARES SUSPENSE ACCOUNT**

Details as required under Schedule V of the Listing Regulations in respect of unclaimed shares transferred to the demat account "Shyam Century Ferrous Limited – Unclaimed Suspense Account" is as follows:

Particulars	No. of shareholders	No. of shares
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 01.04.2020	52	93,580
Aggregate number of Shareholders and outstanding shares transferred to Unclaimed Suspense Account	NIL	NIL
Number of shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account	NIL	NIL
Number of shareholders to whom shares were transferred from Suspense Account during the year	NIL	NIL
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 31.03.2021	52	93,580
Voting rights in respect of the aforesaid shares held in Unclaimed Suspense Account will remain frozen till the time such shares are transferred from the Unclaimed Suspense Account to the concerned shareholders/legal heirs		

**COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES**

Commodities form a major part of the raw materials required for Company's products and hence, commodity price risk is one of the important market risk for the Company. The Company has mechanism to ensure that the organisation is protected from market volatility in terms of price and availability of raw materials and prefers long term arrangement with the suppliers. The Company does not hedge its exposure to commodity price risks.

**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2020-21 (Contd.)**

The Company also does not hedge foreign exchange risks.

**Plant location:**

Ferro Alloy & Power Plant, EPIP, Rajabagan, Byrnihat, District-Ri-Bhoi, Meghalaya - 793101

**Address for Correspondence:**

a) Corporate Office:

The Compliance Officer,

Shyam Century Ferrous Limited,

Satyam Tower, 3 Alipore Road, Kolkata-700 027

Phone: 033 22435029, Fax: 033 22484787

Email: [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com)

Website: [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com)

b) Registered Office: Village: Lumshnong, P.O. Khaliehriat, Dist. East Jaintia Hills, Meghalaya – 793210.

For and on behalf of the Board of Directors

Place : Kolkata  
Date: 9th June, 2021

**Rajesh Kumar Agarwal**  
Director  
(DIN: 00223718)

**Aditya Vimalkumar Agrawal**  
Director  
(DIN: 03330313)



**Auditors' Certificate on Corporate Governance**

To

The Members of  
Shyam Century Ferrous Limited  
Vill:-Lumshnong, P.O. Khaliehriat,  
Dist. East Jaintia Hills,  
Meghalaya - 793 210

We have examined the compliance of conditions of the Corporate Governance by Shyam Century Ferrous Limited ("the Company") for the year ended on 31st March, 2021, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said clauses and/or regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For M/s. AKSD & Associates  
(Formerly, Kailash B. Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

**CA. Arun Kumar Sharma**

*Partner*

Membership No. 057329

Place : Kolkata  
Date: 9th June, 2021  
UDIN: 21057329AAAABX9677

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**Compliance with Code of Business Conduct and Ethics**

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended it is hereby declared that all Board members and Senior management personnel of the Company have affirmed the compliance of the Code of Conduct for the year ended 31st March, 2021.

Place : Kolkata  
Date: 9th June, 2021

**Sumanta Kumar Patra**  
*Chief Executive Officer*

**CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)**

To,

The Board of Directors

Shyam Century Ferrous Limited

We the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Shyam Century Ferrous Limited ("the Company"), to the best of our knowledge and belief certify that:

- A. We have reviewed the financial statements and the cash flow statement for the Financial year ended 31st March, 2021 and based on our knowledge and belief, we state that:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) These statements together present a true and fair view of the Company's affairs and are in 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 year are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the Auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- D. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
- (1) significant changes, if any, in internal control over financial reporting during the year;
  - (2) significant changes, if any, in accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place : Kolkata  
Date: 9th June, 2021

**Sumanta Kumar Patra**  
Chief Executive Officer

**Uday Bahadur Chetri**  
Chief Financial Officer

**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**  
**Shyam Century Ferrous Limited**  
 Vill: Lumshnong, P.O. - Khaliehriat  
 Dist. East Jaintia Hills – 793 210  
 Meghalaya

We have examined the relevant disclosures received from the Directors and registers, records, forms, returns maintained by Shyam Century Ferrous Limited (CIN: L27310ML2011PLC008578) having its Registered office at Vill: Lumshnong, P.O. - Khaliehriat, Dist. East Jaintia Hills – 793 210, Meghalaya (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)] as considered necessary and explanations furnished to us by the Company and its officers, we certify that following are the Directors on the Board of the Company as on 31st March, 2021:

Sl. No.	DIN	Name	Designation	Date of appointment
1	00246043	Mr. Sajjan Bhajanka	Non-Executive Director	12.04.2011
2	00223718	Mr. Rajesh Kumar Agarwal	Additional Director	08.02.2021
3	03330313	Mr. Aditya Vimalkumar Agrawal	Non-Executive Director	01.04.2015
4	00343256	Mr. Pramod Kumar Shah	Independent Director	01.04.2020
5	00642736	Mr. Santanu Ray	Independent Director	01.04.2015
6	01375361	Mrs. Plistina Dkhar	Independent Director	01.03.2013

We further certify that none of the aforesaid Directors on the Board of the Company for the financial year ended on 31st March, 2021 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.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on this, based on our verification. This certificate 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 MKB & Associates**  
 Company Secretaries  
 Firm Reg No: P2010WB042700

Date: 9th June, 2021  
 Place : Kolkata  
 UDIN: A017190C000436554

**Raj Kumar Banthia**  
*Partner*  
 Membership No. ACS 17190  
 COP no. 18428

# **FINANCIAL** STATEMENTS

# INDEPENDENT AUDITORS' REPORT

To the Members of **Shyam Century Ferrous Limited**

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying financial statements of **Shyam Century Ferrous Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and the profit and other comprehensive income, changes in equity and its cash flows for the year then ended.

### Basis for Opinion

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

### Emphasis of Matter

- We draw your attention to Note no. 44 to the financial statement which states that the Company has charged off the differential Excise duty of ₹ 1,719.63 lacs as an Exceptional item. The Company has refunded 50% of differential Excise duty amounting to ₹ 859.78 Lacs which was received by the company in previous years, on the basis of demand letter issued by department and the review petition rejected by Supreme Court. The Company has also reversed the balance refund amounting to ₹ 859.85 Lacs which was shown as receivable and recognized as income in previous years. Our opinion is not modified in respect of this matter.
- We draw your attention to Note no. 48 to the financial statement which states that during the year, the Company has sold its entire holding of 48.80% in Meghalaya Power Limited and as a result, the company ceased to be an associate and hence consolidation of accounts is not applicable.
- We draw your attention to Note no. 50 to the financial statement which explains the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon circumstances/development as they evolve in the subsequent period. Our opinion is not modified in respect of this matter.

### Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report:

## INDEPENDENT AUDITOR'S REPORT (Contd.)

Sl. No.	Key Audit Matters	Auditor's Response
1	<p><b>Revenue Recognition</b> (Refer Note no. 26 to the financial statements and Note 1.3 (A) of the significant accounting policies of Financial Statements).</p> <p>Revenue is recognised when the control of the products has transferred and dispatched to customer. Delivery occurs when the product has been dispatched to the specific location and the risk of obsolescence / loss has been transferred and there is no unfulfilled obligation that could affect the buyer's acceptance of the product as per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.</p> <p>Revenue is recognised based on the price and as per terms specified in the contracts. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.</p> <p>There is a significant risk of misstatement due to risk related to inappropriate recognition of the revenue and hence this was determined to be a key audit matter.</p>	<p><b>Our audit procedures to assess the appropriateness of revenue recognized included:</b></p> <ul style="list-style-type: none"> <li>- Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Company's key internal controls over the revenue recognition process.</li> <li>- Obtaining and inspecting, on a sample basis, individual sales transaction and traced to sales invoices, sales order and other related documents as well as credit notes issued after the year end to determine whether these were recorded appropriately.</li> <li>- Examination of significant contracts entered into close to year end to ensure revenue recognition is made in the correct period.</li> </ul> <p>Our testing as described above showed that revenue has been recorded in accordance with the terms of applicable contracts and accounting policy in this area.</p>
2	<p><b>Litigation, Claims and Contingent Liabilities</b> (Refer Note no. 43 to the Financial Statements)</p> <p>Provisions and contingent liability disclosures may arise from indirect tax proceedings, legal proceedings, including regulatory and other government/ department proceedings, as well as investigations by authorities and commercial claims.</p> <p>The Company applies significant judgement in estimating the likelihood of the future outcome in each case and in determining the provisions or disclosures required for each matter. These estimates could change significantly over time as new facts emerge and each legal case progresses.</p> <p>The Company is involved in legal proceedings on disputed tax demands. The company's management has assessed that the probability of success of the demand is remote and accordingly has not provided for the disputed demands.</p> <p>This has been considered a key audit matter in view of the uncertain outcome of the litigations and involvement of significant management judgement in assessing the probability of outflow of economic resources.</p>	<p><b>Our audit procedures to assess the appropriateness of provisions and adequacy of disclosures included:</b></p> <ul style="list-style-type: none"> <li>- Reviewing the outstanding litigations against the Company for consistency with the previous years. Enquiring and obtaining explanations for movement during the year.</li> <li>- Reading the latest correspondence between the Company and the various tax/legal authorities.</li> <li>- Discussing the status of significant litigation with the Company's in-house Legal Counsel and other senior management personnel and assessing their responses.</li> <li>- On sample basis, examine the Company's legal expenses and read the minutes of the board meetings, in order to ensure all cases have been identified.</li> <li>- With respect to tax matters, discussing with the Company's tax officers, their views and strategies on significant cases, as well as the related technical grounds relating to their conclusions based on applicable tax laws.</li> <li>- For those matters where management concluded that no provisions should be recorded, considering the adequacy and completeness of the Company's disclosures with regard to facts and circumstances of the legal and litigation matters.</li> </ul> <p>On the basis of the above procedures performed, we considered the management's assessment in respect of contingencies and provision for taxes and other litigations and claims to be reasonable and disclosures to be appropriate.</p>

**INDEPENDENT AUDITOR'S REPORT (Contd.)****Information Other than the Financial Statements and Auditor's Report Thereon**

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

**Responsibility for Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from

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

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

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

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

**INDEPENDENT AUDITOR'S REPORT (Contd.)**

the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

**Other Matter**

Due to COVID-19 pandemic and the consequential nationwide lockdown announced by the Central and State Government including the travel restrictions, maintenance of social distancing etc., the audit team has performed the audit from remote location, on the basis of data, scan copies, documents, management estimates, assumptions, certificates and other information supplied electronically by the management on online platform. We have relied on Management assurance of the authenticity, completeness and accuracy of these records electronically submitted to us. Further, our attendance at the physical inventory verification done by the management was impracticable under the current lock-down restrictions imposed by the government and we have therefore, relied on the related alternative audit procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence - Specific Consideration for Selected Items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these Financial Statements.

Our opinion is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

(a) Without prejudice to the situation described under "Other matter" section, 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 books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 B";
- (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:

In our opinion and according to the information and 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 Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - c. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

**For A K S D & Associates**  
(Formerly Kailash B Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

**CA. Arun Kumar Sharma**  
Partner  
Membership No. 057329  
UDIN: 21057329AAAABW4221

Place : Kolkata  
Date : 09th June, 2021



## Annexure A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report of even date to the members of the Company on the financial statements for the year ended 31 March, 2021, we report that:

- (i) In respect of Company's fixed assets :
- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - The fixed assets of the Company are physically verified by the Management at reasonable intervals and no material discrepancies have been noticed on such verification.
  - According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory, except goods in transit and materials lying with third parties, which have been substantially confirmed by them, has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable and no material discrepancies were observed.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships firm or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. So the provision of clause 3(iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to loan and investments made.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the accounts and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues applicable to it with the appropriate authorities.  
According to the information and explanations given to us, there were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
  - According to the information and explanations given to us, the details of disputed amount of Income tax, Excise Duty, Cess, Royalty, VAT/GST/MEPRF on coal not deposited by the Company are given below:

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where the dispute is pending
MMDR, GST & VAT Act	Royalty, MEPRF, GST/VAT	1,738.99	2014-15 to 2018-19	Director of Mineral Resources, Meghalaya
The Central Excise Act, 1949	Excise Duty	112.04	July 2004 – March 2013	Meghalaya High Court
Income Tax Act, 1961	Demand Payable	0.28	A.Y. 2018-19	Additional/Joint/Deputy/ Assistant Commissioner of Income Tax/Income-Tax Officer, National e-Assessment Centre, Delhi

- (viii) The Company has not defaulted in repayment of loans or borrowings from financial institutions or banks. The Company has not issued any debentures.
- (ix) The Company has not raised any money by way of initial public offer/further public offer/debt instruments/term loans. Accordingly the provisions of Clause 3(ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment/private placements of shares/fully/partly convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with directors or person connected with him as referred to in section 192 of the Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provision of clause 3(xvi) are not applicable to the Company.

**For A K S D & Associates**  
(Formerly Kailash B Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

**CA. Arun Kumar Sharma**  
Partner  
Membership No. 057329  
UDIN: 21057329AAAABW4221

Place : Kolkata  
Date : 09th June, 2021

## Annexure B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of SHYAM CENTURY FERROUS LIMITED ("the Company") as at March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over

financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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, read with impact of Covid- 19 stated in Emphasis of Matter paragraph in Independent Auditor's Report, an adequate internal financial controls system with reference to financial statements and such internal financial controls over financial

reporting were operating effectively as at 31 March, 2021, 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 A K S D & Associates**  
(Formerly Kailash B Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

**CA. Arun Kumar Sharma**  
Partner  
Membership No. 057329  
UDIN: 21057329AAAABW4221

Place : Kolkata  
Date : 09th June, 2021

**BALANCE SHEET** AS AT 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	Notes	31 March 2021	31 March 2020
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	2	1,560.12	1,733.71
(b) Right-of-use assets	2.1	43.36	44.30
(c) Intangible assets	2.2	0.38	0.84
(d) Investment	3	-	3,373.50
(e) Deferred Tax Asset (net)	4	57.00	-
(f) Financial assets			
(i) Loans	5	56.21	56.21
(ii) Other financial assets	6	49.25	49.25
(g) Non-current tax asset (net)	7	96.58	97.67
(h) Other non-current assets	8	0.70	877.33
<b>Total non-current assets</b>		<b>1,863.60</b>	<b>6,232.81</b>
<b>(2) Current assets</b>			
(a) Inventories	9	1,785.54	1,667.43
(b) Financial assets			
(i) Trade receivables	10	2,207.76	3,844.12
(ii) Cash and cash equivalents	11	2,947.46	158.82
(iii) Bank balances other than (ii) above	12	3,296.28	-
(iv) Loans	13	251.45	134.18
(v) Other financial assets	14	378.69	331.16
(c) Other current assets	15	743.09	749.14
<b>Total current assets</b>		<b>11,610.27</b>	<b>6,884.85</b>
<b>Total assets</b>		<b>13,473.87</b>	<b>13,117.66</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	16	2,221.73	2,221.73
(b) Other equity	17	9,579.44	9,298.23
<b>Total equity</b>		<b>11,801.17</b>	<b>11,519.96</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	37.65	117.00
(ii) Lease Liabilities	19	42.16	43.31
(b) Deferred tax liabilities (net)	4	-	83.97
(c) Provisions	20	52.41	47.96
<b>Total non-current liabilities</b>		<b>132.22</b>	<b>292.24</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	347.80	4.85
(ii) Trade payables	22		
a) Total outstanding dues of micro enterprises and small enterprises		-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		16.12	68.71
(iii) Other financial liabilities (including lease liabilities)	23	901.24	1,057.70
(b) Other current liabilities	24	256.80	154.54
(c) Provisions	25	18.52	19.66
<b>Total current liabilities</b>		<b>1,540.48</b>	<b>1,305.46</b>
<b>Total liabilities</b>		<b>1,672.70</b>	<b>1,597.70</b>
<b>Total equity and liabilities</b>		<b>13,473.87</b>	<b>13,117.66</b>
<b>Summary of Significant accounting policies</b>	1		

The accompanying notes form an integral part of the financial statements

As per our report of even date

**For A K S D & Associates**(Formerly Kailash B Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

For and on behalf of the Board of Directors

**CA. Arun Kumar Sharma**Partner  
Membership No. 057329**Sumanta Kumar Patra**

Chief Executive Officer

**Rajesh Kumar Agarwal**Director  
DIN : 00223718**Aditya Vimalkumar Agrawal**Director  
DIN : 03330313Place : Kolkata  
Date : 9th June, 2021**Uday Bahadur Chetri**  
Chief Financial Officer**Neha Agarwal**  
Company Secretary

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	Notes	31 March 2021	31 March 2020
<b>Income</b>			
Revenue from operations	26	12,761.56	8,725.48
Other income	27	806.50	188.45
<b>Total income</b>		<b>13,568.06</b>	<b>8,913.93</b>
<b>Expenses</b>			
Cost of materials consumed	28	4,312.07	2,916.40
Change in inventory of finished goods	29	251.40	307.69
Employee benefit expense	30	425.06	478.52
Finance costs	31	79.58	40.14
Depreciation and amortisation expense	32	186.30	229.08
Other expenses	33	6,457.13	4,954.18
<b>Total expenses</b>		<b>11,711.54</b>	<b>8,926.01</b>
<b>Profit before exceptional items and tax</b>		<b>1,856.52</b>	<b>(12.08)</b>
Exceptional items		1,719.63	-
<b>Profit before tax</b>		<b>136.89</b>	<b>(12.08)</b>
Income tax expense	34		
- Current tax		-	3.20
- Deferred tax		(141.32)	13.53
- Income tax for earlier years		(1.99)	(25.39)
<b>Total tax expense</b>		<b>(143.31)</b>	<b>(8.66)</b>
<b>Profit for the year</b>		<b>280.20</b>	<b>(3.42)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit and loss			
Remeasurements of post-employment benefit obligations	36	1.35	7.77
Income tax related to above		(0.34)	(1.96)
<b>Other comprehensive income for the year, net of tax</b>		<b>1.01</b>	<b>5.82</b>
<b>Total comprehensive income for the year</b>		<b>281.21</b>	<b>2.40</b>
<b>Earnings per equity share:</b>	35		
Basic earnings per share (₹ per Share)		0.13	(0.00)
Diluted earnings per share (₹ per Share)		0.13	(0.00)
<b>Summary of Significant accounting policies</b>	1		

The accompanying notes form an integral part of the financial statements

As per our report of even date

### For A K S D & Associates

(Formerly Kailash B Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

**CA. Arun Kumar Sharma**  
Partner  
Membership No. 057329

Place : Kolkata  
Date : 9th June, 2021

**Sumanta Kumar Patra**  
Chief Executive Officer

**Uday Bahadur Chetri**  
Chief Financial Officer

**Rajesh Kumar Agarwal**  
Director  
DIN : 00223718

**Neha Agarwal**  
Company Secretary

For and on behalf of the Board of Directors

**Aditya Vimalkumar Agrawal**  
Director  
DIN : 03330313

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Lakhs)

Sl. No.	Particulars	31 March 2021	31 March 2020
<b>A</b>	<b>Cash Flow From Operating Activities</b>		
	Net Profit before Tax	136.89	(12.08)
	Adjustments for:		
	Depreciation/Amortisation	186.30	229.08
	(Profit)/Loss on sale of property, plant and equipment	1.20	(3.69)
	(Profit)/Loss on sale of investment	(638.82)	-
	Finance Cost	79.58	40.14
	Interest and Other Income	(167.68)	(184.75)
	<b>Operating Profit before Working Capital changes</b>	<b>(402.53)</b>	<b>68.70</b>
	Adjustments for:		
	(Increase)/Decrease in Trade receivables	1,636.36	(1,052.45)
	(Increase)/Decrease in Inventories	(118.11)	98.75
	(Increase)/Decrease in Other receivables	(158.74)	(208.21)
	(Increase)/Decrease in Other assets	973.44	151.87
	Increase/(Decrease) in Other liabilities	(50.68)	270.50
	Increase/(Decrease) in Trade payables	(52.59)	(120.67)
	<b>Cash Generated from Operations</b>	<b>1,827.15</b>	<b>(791.51)</b>
	Income Tax Paid	(41.71)	(16.53)
	<b>Net Cash generated from Operating Activities</b>	<b>1,785.44</b>	<b>(808.04)</b>
<b>B</b>	<b>Cash Flow From Investing Activities</b>		
	Purchase of Property, Plant & Equipment	(13.44)	(76.01)
	Sale of Property, Plant & Equipment	-	65.39
	Sale of Investment	4,012.32	-
	Investments in Fixed Deposits/Margin Money	(3,296.28)	-
	Interest Received	116.58	182.79
	<b>Net Cash from Investing Activities</b>	<b>819.18</b>	<b>172.17</b>
<b>C</b>	<b>Cash Flow From Financing Activities</b>		
	Repayment of Short Term Borrowings	-	(76.46)
	Proceeds from Short Term Borrowings	342.95	-
	Repayment of Long Term Borrowings	(79.35)	(73.54)
	Payment of Lease Liabilities	(4.58)	(4.36)
	Interest Paid	(75.00)	(35.79)
	<b>Net Cash used in Financing Activities</b>	<b>184.02</b>	<b>(190.15)</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>2,788.64</b>	<b>(826.02)</b>
	<b>Opening Cash and Cash Equivalents</b>	<b>158.82</b>	<b>984.84</b>
	<b>Closing Cash and Cash Equivalents</b>	<b>2,947.46</b>	<b>158.82</b>

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

Notes :

- 1 Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- 2 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) "Statement of Cash Flow".
- 3 For the purpose of Cash Flow Statement, Cash and Cash Equivalents comprises the followings:

Particulars	31 March 2021	31 March 2020
Cash in hand	3.18	2.45
Cheques in hand	-	9.51
Balance with banks:		
- In current accounts	29.35	11.90
Fixed Deposit including interest with original maturity of upto 3 months	2,914.93	134.96
<b>Total</b>	<b>2,947.46</b>	<b>158.82</b>

As per our report of even date

**For A K S D & Associates**  
(Formerly Kailash B Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

**CA. Arun Kumar Sharma**  
Partner  
Membership No. 057329

Place : Kolkata  
Date : 9th June, 2021

**Sumanta Kumar Patra**  
Chief Executive Officer

**Uday Bahadur Chetri**  
Chief Financial Officer

**Rajesh Kumar Agarwal**  
Director  
DIN : 00223718

**Neha Agarwal**  
Company Secretary

For and on behalf of the Board of Directors

**Aditya Vimalkumar Agrawal**  
Director  
DIN : 03330313



# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2021

## A. Equity share capital

(₹ in Lakhs)

Particulars	Amount
<b>As at 1st April, 2019</b>	<b>2,221.73</b>
Changes in equity share capital	-
<b>As at 31st March, 2020</b>	<b>2,221.73</b>
Changes in equity share capital	-
<b>As at 31st March, 2021</b>	<b>2,221.73</b>

## B. Other equity

(₹ in Lakhs)

Particulars	Reserve and surplus		Total other equity
	Capital Reserve	Retained Earning	
<b>Balance as at 1st April, 2019</b>	<b>6,087.78</b>	<b>3,208.06</b>	<b>9,295.84</b>
Profit for the year (a)	-	(3.42)	(3.42)
Other comprehensive income/(loss) for the year (b)	-	5.82	5.82
<b>Total comprehensive income for the year (a + b)</b>	<b>-</b>	<b>2.40</b>	<b>2.40</b>
<b>Balance as at 31st March, 2020</b>	<b>6,087.78</b>	<b>3,210.45</b>	<b>9,298.23</b>

(₹ in Lakhs)

Particulars	Reserve and surplus		Total other equity
	Capital Reserve	Retained Earning	
<b>Balance as at 1st April, 2020</b>	<b>6,087.78</b>	<b>3,210.45</b>	<b>9,298.23</b>
Profit for the year (a)	-	280.20	280.20
Other comprehensive income/(loss) for the year (b)	-	1.01	1.01
<b>Total comprehensive income for the year (a + b)</b>	<b>-</b>	<b>281.21</b>	<b>281.21</b>
<b>Balance as at 31st March, 2021</b>	<b>6,087.78</b>	<b>3,491.66</b>	<b>9,579.44</b>

The accompanying notes form an integral part of the financial statements

As per our report of even date

### For A K S D & Associates

(Formerly Kailash B Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

For and on behalf of the Board of Directors

**CA. Arun Kumar Sharma**  
Partner  
Membership No. 057329

**Sumanta Kumar Patra**  
Chief Executive Officer

**Rajesh Kumar Agarwal**  
Director  
DIN : 00223718

**Aditya Vimalkumar Agrawal**  
Director  
DIN : 03330313

Place : Kolkata  
Date : 9th June, 2021

**Uday Bahadur Chetri**  
Chief Financial Officer

**Neha Agarwal**  
Company Secretary

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31ST MARCH, 2021

### Corporate Information

Shyam Century Ferrous Limited (the Company) is a public Company domiciled in India and incorporated on 12.04.2011 under the provisions of the Companies Act, 1956. Its shares are listed on National Stock Exchange and Bombay Stock Exchange in India. The Company is engaged in manufacturing of Ferro Alloys and generation of Power. The manufacturing unit is located at Byrnihat, Meghalaya. The Company is selling its product across India.

## 1. SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Basis of Preparation

#### (i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, amendments thereto and other relevant provisions of the Act.

These financial statements were approved for issue in accordance with the resolution of the Board of Directors on 09.06.2021.

The accounting policies are consistently followed by the Company and changes in accounting policy are separately disclosed.

#### (ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Net defined benefit asset/liability which is Fair value of plan assets less present value of defined benefit obligations
- Certain financial assets and financial liabilities that are measured at fair value.

#### (iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

#### (iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

### 1.2 Use of Estimates

The preparation of financial statements is in conformity with generally accepted accounting principles which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

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.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period. Revisions in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are summarised below:

- i) Classification of legal matters and tax litigation
- ii) Defined benefit obligations
- iii) Useful life of property, plant and equipment
- iv) Leases Ind AS 116

### 1.3 (A) Revenue Recognition

Sales are recognised when control of the products has transferred, domestic sales are accounted when the products are dispatched to the customers and export sales are accounted on the basis of bill of export/bill of lading. Delivery occurs when the product has been dispatched to the specific location and the risk of obsolescence / loss has been transferred and there is

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

no unfulfilled obligation that could affect the buyer's acceptance of the product as per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

Revenue is recognised based on the price and as per terms specified in the contracts. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

A receivable is recognised when the goods are dispatched as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

#### (B) Other Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognised when right to receive is established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

#### 1.4 Property, plant and equipment

Property, plant and equipment are stated at their cost of acquisition, installation or construction (net of any recoverable amount, wherever applicable) less accumulated depreciation, amortization and impairment losses if any, except freehold land which is carried at cost. Cost comprises the purchase price, installation and attributable cost of bringing the asset to working condition for its intended use.

Subsequent expenditures are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. When significant parts of plant and equipment are required to be replaced the Company depreciates them separately based on their specific useful lives. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

#### Capital Work in Progress

Capital work in Progress is carried at cost comprising direct cost and includes any directly attributable cost incurred during construction period.

Property, plant and equipment not ready for their intended use as on the balance sheet date are disclosed as "Capital work-in-progress". Such items are classified to the appropriate category of property, plant and equipment when completed and ready for their intended use. Advances given towards acquisition/ construction of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advances under "Other non-current assets"

#### Expenditure during construction period

In case of new projects and substantial expansion of existing units, expenditure incurred including trial production expenses net of revenue earned, and attributable interest and financing cost, prior to commencement of commercial production are capitalized.

#### Depreciation

Depreciation on property, plant and equipment is provided on written down value method in accordance with the provisions of Schedule II to the Companies Act, 2013 and considering the useful lives for computing depreciation specified in Part 'C', thereof. Depreciation is provided on components that have homogenous useful lives by using the WDV method so as to depreciate the initial cost down to the residual value over the estimated useful lives. Useful lives, components and residual amounts are reviewed annually.

In respect of an asset for which impairment loss is recognized, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

#### 1.5 Inventories

##### Raw materials, stores and spare parts, fuel and packing material:

Raw materials, stores and spares and fuel and packing material are valued at lower of cost and net realisable value. Cost includes purchase price, other costs incurred in bringing the inventories to their present location and condition, and taxes for which credit is not available. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on FIFO basis.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

#### Work-in-progress and finished goods:

Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, but excluding borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### 1.6 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

#### 1.7 Investments and other financial assets

##### Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

##### Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

##### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into the following categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collections of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and

interest, are measured at fair value through other comprehensive income (FVOCI). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss (FVTPL) :** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

##### Equity instruments

The Company subsequently measures all equity investments (except subsidiary, associate and joint venture) at fair value through profit or loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

##### Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

##### Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset, or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

#### 1.8 Financial liabilities

##### Initial recognition and measurement

The Company recognises all the financial liabilities on

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

initial recognition at fair value minus, in the case of a financial liability not at fair value through Profit or Loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

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

#### Subsequent measurement

All the financial liabilities are classified as subsequently measured at amortised cost, except for those measured at fair value through profit or loss.

#### De-recognition of financial liabilities

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

#### 1.9 Government Grants and subsidies

Government grants / subsidies are recognized when there is reasonable certainty that the same will be received. Revenue grants, if any granted by way of recoupment / reimbursement of any item of expenditure are recognized in the Statement of Profit and Loss by way of deduction from related item of expenses. Grants related to assets which are recognized in the Statement of Financial Position as deferred income, are recognized to the Statement of Profit and Loss on a systematic basis over the useful life of the related assets by netting off with the related expense.

#### 1.10 Employee benefits

##### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

##### (ii) Defined Contribution Plan

Retirement benefit in the form of Provident Fund is a defined contribution scheme and is charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due.

##### (iii) Defined Benefit Plan

Gratuity liability, being a defined benefit obligation, is provided for on the basis of an actuarial valuation on projected unit credit method as at the date of the Balance Sheet.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

##### (iv) Other Long-term benefits

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation which is done as per projected unit credit method as at the date of the Balance Sheet.

#### 1.11 Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deductible preference dividend and attributable taxes) by the weighted number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

#### 1.12 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset is capitalized as part of cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the period in which they are incurred. Borrowing cost includes exchange differences arising from relevant foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost.

#### 1.13 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

#### 1.14 Taxation

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss,

except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The deferred tax in respect of temporary differences which originate during the tax holiday period and is likely to reverse during the tax holiday period, is not recognized to the extent income is subject to deduction during the tax holiday period as per the requirements of the Income Tax Act, 1961.

#### 1.15 Segment Reporting

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

#### 1.16 Cash and Cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and cash in hand, and demand deposits with Banks and other short-term highly liquid investments / deposits that are readily convertible into cash which are subject to insignificant risk of changes in value with an original maturity of three months or less.

#### 1.17 Provisions and Contingencies

A Provision is recognized for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts. Contingent assets are also disclosed by way of notes to the accounts.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

#### 1.18 Foreign Currency Transactions and Balances

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian National Rupee (INR), which is Shyam Century Ferrous Limited's functional and presentation currency.

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transactions. Exchange differences arising on settlement /restatement of short-term foreign currency monetary assets and liabilities of the Company are recognized as income or expenses in the Statement of Profit and Loss. All foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income or other expenses.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

#### 1.19 Borrowing

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date,

the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

#### 1.20 Impairment of non-financial assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

#### 1.21 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### 1.22 Intangible Asset

An intangible asset is recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. The depreciable amount of an intangible asset is allocated over its estimated useful life. Expenditure on purchased software and IT related expenditure are written off over a period of three years.

#### 1.23 Lease

##### As a Lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at cost. The cost of right-

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, an estimate of costs to be incurred in dismantling and removing or restoring the underlying asset and lease payments made at or before the commencement date less any lease incentives received. After the commencement date, the Right of use assets are measured applying the Cost model. They are subsequently measured at cost, less any accumulated depreciation, adjustments for any remeasurement of the lease liabilities and impairment losses. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### As a Lessor:

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. Operating lease payments are recognised as an income in the Statement of Profit and Loss on a straight-line basis over the lease term, unless the receipt from lessee is structured to increase in line with expected general inflation and compensate for the lessor's expected inflation cost increase.

#### 1.24 Research and Development Expenditure

Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets.

#### 1.25 Dividends

Dividends paid (including dividend distribution tax thereon) is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders. The amount is recognised directly in equity.



## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

#### 2. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Land & Site Development	Factory Buildings	Non-Factory Buildings	Plant & Machinery	Electrical Installations	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Total
<b>Gross Carrying Value</b>										
<b>As at 1st April 2019</b>	86.17	397.41	195.06	1,394.07	145.30	3.69	2.83	2.57	504.57	2,731.67
Addition	-	-	-	-	16.58	-	-	-	-	16.58
Disposal/Deduction/Adjustment	-	-	-	69.41	-	-	0.68	-	15.80	85.90
<b>As at 31st March 2020</b>	86.17	397.41	195.06	1,324.66	161.88	3.69	2.15	2.57	488.77	2,662.35
Addition	-	-	-	2.13	0.60	-	0.57	3.88	-	7.19
Disposal/Deduction/Adjustment	-	-	-	-	-	1.23	0.06	0.17	-	1.45
<b>As at 31st March 2021</b>	86.17	397.41	195.06	1,326.79	162.48	2.46	2.66	6.29	488.77	2,668.09
<b>Accumulated Depreciation</b>										
<b>As at 1st April 2019</b>	-	101.58	28.32	332.85	63.10	1.59	1.91	1.50	207.43	738.28
Charge for the year	-	27.72	7.97	86.32	12.97	0.16	0.16	0.05	89.17	224.52
Disposal/Deduction/Adjustment	-	-	-	22.04	-	-	0.54	-	11.58	34.16
<b>As at 31st March 2020</b>	-	129.30	36.29	397.13	76.07	1.75	1.53	1.55	285.02	928.64
Charge for the year	-	25.12	7.58	73.49	11.28	0.09	0.15	0.43	61.44	179.59
Disposal/Deduction/Adjustment	-	-	-	-	-	0.26	-	-	-	0.26
<b>As at 31st March 2021</b>	-	154.42	43.87	470.62	87.35	1.59	1.68	1.98	346.46	1,107.97
<b>Net Carrying Value</b>										
<b>As at 31st March 2020</b>	86.17	268.11	158.77	927.52	85.81	1.94	0.62	1.02	203.75	1,733.71
<b>As at 31st March 2021</b>	86.17	242.99	151.19	856.17	75.13	0.87	0.98	4.31	142.31	1,560.12

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

### 2.1 Right-of-use assets

(₹ in Lakhs)

Particulars	Non-Factory Buildings
<b>Gross Carrying Value</b>	
<b>As at 1st April 2019</b>	-
Addition (Transitional impact on adoption of Ind AS 116)	48.32
Disposal/Deduction/Adjustment	-
<b>As at 31st March 2020</b>	<b>48.32</b>
Addition	5.32
Disposal/Deduction/Adjustment	-
<b>As at 31st March 2021</b>	<b>53.64</b>
<b>Accumulated Depreciation</b>	
<b>As at 1st April 2019</b>	-
Charge for the year	4.03
Disposal/Deduction/Adjustment	-
<b>As at 31st March 2020</b>	<b>4.03</b>
Charge for the year	6.25
Disposal/Deduction/Adjustment	-
<b>As at 31st March 2021</b>	<b>10.28</b>
<b>Net Carrying Value</b>	
<b>As at 31st March 2020</b>	<b>44.30</b>
<b>As at 31st March 2021</b>	<b>43.36</b>

### 2.2 Intangible Assets

(₹ in Lakhs)

Particulars	Computer Software
<b>Gross Carrying Value</b>	
<b>As at 1st April 2019</b>	<b>2.53</b>
Addition	1.13
Disposal/Deduction/Adjustment	-
<b>As at 31st March 2020</b>	<b>3.66</b>
Addition	-
Disposal/Deduction/Adjustment	-
<b>As at 31st March 2021</b>	<b>3.66</b>
<b>Accumulated Depreciation</b>	
<b>As at 1st April 2019</b>	<b>2.29</b>
Charge for the year	0.53
Disposal/Deduction/Adjustment	-
<b>As at 31st March 2020</b>	<b>2.82</b>
Charge for the year	0.46
Disposal/Deduction/Adjustment	-
<b>As at 31st March 2021</b>	<b>3.28</b>
<b>Net Carrying Value</b>	
<b>As at 31st March 2020</b>	<b>0.84</b>
<b>As at 31st March 2021</b>	<b>0.38</b>

Note:

During the year, the Company has discarded fixed assets amounting to ₹ 28.85 (as at 31st March, 2021 ₹ 2.98 Lakhs) and sold fixed assets amounting to ₹ Nil (as at 31st March, 2020 ₹ 203.67 Lakhs)

# NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

## 3. INVESTMENT

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
<b>Unquoted equity instrument</b>		
<b>Meghalaya Power Limited</b>		
83,58,998 (83,58,998 as at 31st March 2020) equity shares of ₹ 10 each fully paid up	-	3,373.50
<b>Total</b>	<b>-</b>	<b>3,373.50</b>

Note:

During the year, M/s. Meghalaya Power Limited ceased to be an Associate Company of the Company due to sale of entire shares held by the Company in Meghalaya Power Limited.

## 4. DEFERRED TAX ASSET (NET)

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
<b>Deferred tax asset</b>		
Expenditure allowable for tax purposes upon payment	17.85	17.02
Business Loss	119.46	-
<b>Total Deferred tax asset</b>	<b>137.31</b>	<b>17.02</b>
<b>Deferred tax liabilities</b>		
Property, plant and equipment : impact of difference between tax depreciation and depreciation/amortization charged	80.31	100.99
<b>Total Deferred tax liabilities</b>	<b>80.31</b>	<b>100.99</b>
<b>Net Deferred tax asset/(liabilities)</b>	<b>57.00</b>	<b>(83.97)</b>

## 5. LOANS

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
-Unsecured, Considered Good		
Security Deposits	56.21	56.21
<b>Total</b>	<b>56.21</b>	<b>56.21</b>

## 6. OTHER FINANCIAL ASSETS - NON CURRENT

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Advances for services & expenses recoverable	49.25	49.25
<b>Total</b>	<b>49.25</b>	<b>49.25</b>

## 7. NON-CURRENT TAX ASSET (NET)

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Advance income tax and TDS receivable (net of provision for taxation of ₹ 1.21 Lakhs as at 31st March 2021 and ₹ 3.20 Lakhs as at 31st March 2020)	96.58	97.67
<b>Total</b>	<b>96.58</b>	<b>97.67</b>

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

### 8. OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Subsidies/incentives receivable from central/state government	-	876.63
Deposit with statutory/Government authorities	0.70	0.70
<b>Total</b>	<b>0.70</b>	<b>877.33</b>

### 9. INVENTORIES (VALUED AT LOWER OF COST OR NET REALIZABLE VALUE)

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Raw materials	1,337.54	993.58
Finished goods	32.88	284.27
Fuels, packing materials, etc.	12.82	18.13
Stores & spare parts	402.30	371.45
<b>Total</b>	<b>1,785.54</b>	<b>1,667.43</b>

### 10. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Unsecured, Considered good	2,207.76	3,844.12
<b>Total</b>	<b>2,207.76</b>	<b>3,844.12</b>

### 11. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Cash in hand	3.18	2.45
Cheques in hand	-	9.51
Balance with banks:		
- In current accounts	29.35	11.90
Fixed Deposit including interest with original maturity of upto 3 months	2,914.93	134.96
<b>Total</b>	<b>2,947.46</b>	<b>158.82</b>

### 12. BANK BALANCES OTHER THAN (II) ABOVE

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
In Fixed Deposit accounts including interest with original maturity of more than 3 months and upto 12 months	3,296.28	-
<b>Total</b>	<b>3,296.28</b>	<b>-</b>

### 13. LOANS - CURRENT

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Unsecured, Considered Good		
Loans to Body Corporate (Other than related parties)	251.45	134.18
<b>Total</b>	<b>251.45</b>	<b>134.18</b>

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

### 14. OTHER FINANCIAL ASSETS - CURRENT

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Advance given to suppliers recoverable	19.55	19.55
Advances for services & expenses recoverable	358.52	311.61
Balance with banks		
- In current accounts	0.62	-
<b>Total</b>	<b>378.69</b>	<b>331.16</b>

### 15. OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Advances to suppliers	1.61	4.56
Advances for services & expenses	6.30	4.52
Advance to employee	0.34	0.48
Prepaid Expenses	11.24	8.19
Subsidies/incentives receivable from Central/State government	711.56	704.18
Balances with/Receivable from Statutory/Government Authorities	12.04	27.21
<b>Total</b>	<b>743.09</b>	<b>749.14</b>

### 16. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
<b>Authorised</b>		
22,27,00,000 (22,27,00,000 as at 31st March 2020) Equity Shares of ₹ 1/- each fully paid up	2,227.00	2,227.00
	<b>2,227.00</b>	<b>2,227.00</b>
<b>Issued</b>		
22,21,72,990 (22,21,72,990 as at 31st March 2020) Equity Shares of ₹ 1/- each fully paid up	2,221.73	2,221.73
	<b>2,221.73</b>	<b>2,221.73</b>
<b>Subscribed and paid up</b>		
22,21,72,990 (22,21,72,990 as at 31st March 2020) Equity Shares of ₹ 1/- each fully paid up	2,221.73	2,221.73
	<b>2,221.73</b>	<b>2,221.73</b>

#### Terms/Rights attached to the Equity Shares & Notes

The company has only one class of equity shares having par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

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

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

### Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	31 March 2021	31 March 2020
	No. of shares	No. of shares
At the beginning of the year	22,21,72,990	22,21,72,990
Issued during the year	-	-
<b>Outstanding at the end of the year</b>	<b>22,21,72,990</b>	<b>22,21,72,990</b>

### Terms of issue of shares other than cash

Pursuant to the Scheme of Arrangement ("the scheme") between Star Ferro and Cement Limited (SFCL), the Company and their respective shareholders as approved by the Hon'ble High Court of Meghalaya at Shillong vide its order dated 31st March, 2015 with effect from 1st April, 2014 being the appointed date, the company had issued and allotted 22,21,72,990 Equity Shares to the shareholders of SFCL in ratio of 1 (one) Equity share of ₹ 1/- each of the Company as fully paid up for every 1 (one) Equity Share of ₹ 1/- each held by them in SFCL.

### Details of Shareholders holding more than 5% shares in the company

Particulars	31 March 2021	31 March 2020
	No. of Shares % holding	No. of Shares % holding
Equity Shares of ₹ 1/- each fully paid up		
Smt Santosh Bhajanka	15049500 6.77%	15049500 6.77%
Shri Sanjay Agarwal	14212976 6.40%	14212976 6.40%
Smt Divya Agarwal	14488750 6.52%	14488750 6.52%
Shri Sajjan Bhajanka	11234493 5.06%	11234493 5.06%
Shri Anurag Chowdhary	11196575 5.04%	11196575 5.04%
Subham Buildwell Private Limited	30885630 13.90%	30885630 13.90%
Brijdham Merchants Private Limited	18231990 8.21%	18231990 8.21%

## 17. OTHER EQUITY

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Capital reserves	6,087.78	6,087.78
Retained earnings	3,491.66	3,210.45
<b>Total</b>	<b>9,579.44</b>	<b>9,298.23</b>

### (i) Capital reserves

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Opening balance	6,087.78	6,087.78
Addition/(Deduction) during the year	-	-
<b>Closing balance</b>	<b>6,087.78</b>	<b>6,087.78</b>

The Company had acquired this capital reserve during amalgamation/acquisition in the prior years.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

### 17. OTHER EQUITY (Contd.)

#### (ii) Retained earnings

	(₹ in Lakhs)	
Particulars	31 March 2021	31 March 2020
Opening balance	3,210.45	3,208.06
Net profit/(loss) for the year	280.20	(3.42)
Other comprehensive income		
- Remeasurements of post-employment benefit obligation, net of tax	1.01	5.81
<b>Closing balance</b>	<b>3,491.66</b>	<b>3,210.45</b>

### 18. BORROWINGS - NON-CURRENT

	(₹ in Lakhs)	
Particulars	31 March 2021	31 March 2020
<b>Other Loans (Secured)</b>		
Hire Purchase from Bank	117.00	190.55
Less: Current maturities of long term borrowing	79.35	73.55
<b>Total</b>	<b>37.65</b>	<b>117.00</b>

Terms of Loans:

- (i) Hire Purchase Finance is secured by hypothecation of respective vehicles and is repayable monthly within two years.
- (ii) The Company does not have any defaults in repayment of loans and interest at reporting date.

### 19. LEASE LIABILITIES

	(₹ in Lakhs)	
Particulars	31 March 2021	31 March 2020
Lease Liabilities (Refer note 39)	42.16	43.31
<b>Total</b>	<b>42.16</b>	<b>43.31</b>

### 20. PROVISIONS

	(₹ in Lakhs)	
Particulars	31 March 2021	31 March 2020
Provision for employee benefits (Refer note 36)		
-Gratuity	52.41	47.96
<b>Total</b>	<b>52.41</b>	<b>47.96</b>

### 21. BORROWINGS

	(₹ in Lakhs)	
Particulars	31 March 2021	31 March 2020
Working Capital Facilities (Secured - repayable on demand)		
-Cash Credit from a bank	347.80	4.85
<b>Total</b>	<b>347.80</b>	<b>4.85</b>

Note:

Working Capital facility of ₹ 347.80 Lakhs (31st March 2020 ₹ 4.85 Lakhs) from bank is secured by first charge on the current assets and second charge on the property, plant and equipment of the Company's Ferro Alloy Plant at Byrnihat, Meghalaya.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

### 22. TRADE PAYABLES

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
a) Total outstanding dues of micro enterprises and small enterprises	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	16.12	68.71
<b>Total</b>	<b>16.12</b>	<b>68.71</b>

### 23. OTHER FINANCIAL LIABILITIES (INCLUDING LEASE LIABILITIES)

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Current maturities of long term borrowings	79.35	73.55
Other Payables		
-Salary & bonus payable to employees	33.24	34.03
-Lease Liabilities (Refer note 39)	4.39	2.62
-Creditors for services and expenses	22.40	37.04
-Creditors for employees expenses	5.18	0.67
-Retention money	0.45	0.45
-Other liabilities	756.23	909.34
<b>Total</b>	<b>901.24</b>	<b>1,057.70</b>

### 24. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Other Payables		
-Statutory Liabilities	256.75	139.67
-Advances taken from customer	0.05	14.87
<b>Total</b>	<b>256.80</b>	<b>154.54</b>

### 25. PROVISIONS - CURRENT

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Provision for employee benefits (Refer note 36)		
-Leave encashment	12.59	11.56
-Gratuity	5.93	8.10
<b>Total</b>	<b>18.52</b>	<b>19.66</b>



**NOTES TO FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

**26. REVENUE FROM OPERATIONS**

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Sale of products	12,761.56	8,725.48
<b>Total</b>	<b>12,761.56</b>	<b>8,725.48</b>

Note:

Reconciliation of revenue as per contract price and as recognised in Statement of Profit and Loss:

Particulars	31 March 2021	31 March 2020
Revenue as per contract price	12,821.27	8,725.48
Less: Discounts and incentives	59.71	-
<b>Revenue as per Statement of Profit and Loss</b>	<b>12,761.56</b>	<b>8,725.48</b>

**27. OTHER INCOME**

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Interest income	167.22	164.56
Profit on sale of investment	638.82	-
Miscellaneous receipts	0.46	23.89
<b>Total</b>	<b>806.50</b>	<b>188.45</b>

**28. COST OF MATERIALS CONSUMED**

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Inventory at the beginning of the year	993.58	761.39
Add: Purchases	4,656.03	3,148.59
	<b>5,649.61</b>	<b>3,909.98</b>
Less: Inventory at the end of the year	1,337.54	993.58
<b>Total</b>	<b>4,312.07</b>	<b>2,916.40</b>

(₹ in Lakhs)

Details of Raw Material Consumption	31 March 2021	31 March 2020
Quartz	531.98	339.18
Lam Coke	3,242.25	2,192.54
Others	537.84	384.68
<b>Total</b>	<b>4,312.07</b>	<b>2,916.40</b>

**29. CHANGE IN INVENTORY OF FINISHED GOODS**

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Inventory at the beginning of the year	284.27	591.96
Inventory at the end of the year	32.87	284.27
<b>Total</b>	<b>251.40</b>	<b>307.69</b>

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

### 30. EMPLOYEE BENEFIT EXPENSE

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Salaries & Wages	392.13	442.17
Contribution to Provident Fund and other Funds	15.74	19.22
Employee Welfare Expenses	17.19	17.13
<b>Total</b>	<b>425.06</b>	<b>478.52</b>

### 31. FINANCE COSTS

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Interest expenses	15.53	21.39
Other Borrowing Costs	64.05	18.75
<b>Total</b>	<b>79.58</b>	<b>40.14</b>

### 32. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Depreciation on Property, Plant & Equipment	179.59	224.52
Amortisation on leased assets	6.25	4.03
Amortisation on intangible assets	0.46	0.53
<b>Total</b>	<b>186.30</b>	<b>229.08</b>

### 33. OTHER EXPENSES

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Consumption of Stores & Spares	442.48	330.71
Packing Materials	67.70	47.36
Power & Fuel	5,192.42	4,098.29
Repairs & Maintenance		
- Building	7.38	7.96
- Plant & Machinery	43.21	41.43
- Others	1.39	1.07
Bad Debt	60.32	-
Insurance	23.22	29.10
Rent, Rates & Taxes	9.49	12.67
Travelling and Conveyance	1.57	6.93
Heavy Vehicle / Equipment Running Expenses	38.06	37.83
Corporate Social Responsibility (Refer note 46)	24.02	26.40
Miscellaneous Expenses (includes payments made to Auditor, refer note 45)	173.48	65.53
Outward Freight Charges	360.96	245.36
Commission, Discount & Incentives on Sale	11.43	3.54
<b>Total</b>	<b>6,457.13</b>	<b>4,954.18</b>

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

### 34. TAX EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>a) Current tax</b>		
Current tax on profits for the year	-	3.20
<b>Total current tax expense</b>	<b>-</b>	<b>3.20</b>
<b>b) Deferred tax</b>		
Deferred tax expense	(141.32)	13.53
<b>Total deferred tax expense</b>	<b>(141.32)</b>	<b>13.53</b>
<b>c) Income tax for earlier years</b>		
Income tax expense for earlier years	(1.99)	(25.39)
<b>Total income tax expense</b>	<b>(1.99)</b>	<b>(25.39)</b>
<b>Income tax expenses</b>	<b>(143.31)</b>	<b>(8.66)</b>

#### 34.1 Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Profit from continuing operations before income tax expense	136.89	(12.08)
<b>Tax at the Indian tax rate of 25.17%</b>	<b>-</b>	<b>-</b>
Items not deductible/taxable under tax	-	6.24
Additional additions/deductions under provisions of the Income Tax Act	-	(3.04)
Tax credit of earlier years reversed	(141.32)	13.53
Other adjustments	(1.99)	(25.39)
<b>Income tax expense</b>	<b>(143.31)</b>	<b>(8.66)</b>

The Corporate Tax Rate used for the above reconciliation for financial year 2020-21 and 2019-20 is 25.17% (22% + Surcharge 10% + Education Cess 4%) and 25.17% (22% + Surcharge 10% + Education Cess 4%) respectively payable on taxable profit under Income Tax Act, 1961.

### 35. EARNINGS PER SHARE

#### (a) Basic earnings per share

Particulars	31 March, 2021	31 March, 2020
Basic earnings per share attributable to the equity holders of the Company (₹ per Share)	0.13	(0.002)

#### (b) Diluted earnings per share

Particulars	31 March, 2021	31 March, 2020
Diluted earnings per share attributable to the equity holders of the Company (₹ per Share)	0.13	(0.002)

#### (c) Reconciliations of earnings used in calculating earnings per share

Particulars	31 March, 2021	31 March, 2020
Basic earnings per share		
Profit attributable to equity holders of the company used in calculating basic earnings per share	280.20	(3.42)
Diluted earnings per share		
Profit attributable to equity holders of the company used in calculating diluted earnings per share	280.20	(3.42)

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

#### 35. EARNINGS PER SHARE (Contd.)

##### (d) Weighted average number of equity shares used as the denominator

Particulars	31 March, 2021	31 March, 2020
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	22,21,72,990	22,21,72,990
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	22,21,72,990	22,21,72,990

#### 36. EMPLOYEES BENEFIT OBLIGATIONS

##### (a) Leave obligations

Under leave encashment scheme, the Company allows its employees to encash accumulated leave over and above thirty days at any time during the year. Hence, the entire amount of the provision is presented under current. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Leave obligations not expected to be settled within the next 12 months	11.11	10.26

##### (b) Post-employment obligations

###### i) Gratuity

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less than the provisions of The Payment of Gratuity Act, 1972.

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

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>1st April 2019</b>	<b>71.40</b>	-	<b>71.40</b>
Current service cost	6.86	-	6.86
Interest expense/(income)	4.34	-	4.34
<b>Total amount recognised in profit or loss</b>	<b>11.20</b>	-	<b>11.20</b>
<b>Remeasurements</b>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	3.43	-	3.43
Actuarial (gain)/loss from unexpected experience	(11.20)	-	(11.20)
<b>Total amount recognised in other comprehensive income</b>	<b>(7.77)</b>	-	<b>(7.77)</b>
Employer contributions/premium paid	-	-	-
Benefit payments	(18.76)	-	(18.76)
Disposal/Transfer of obligation	-	-	-
<b>31st March 2020</b>	<b>56.06</b>	-	<b>56.06</b>

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

### 36. EMPLOYEES BENEFIT OBLIGATIONS (Contd.)

(₹ in Lakhs)			
Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>1st April 2020</b>	<b>56.06</b>	-	<b>56.06</b>
Current service cost	6.43	-	6.43
Interest expense/(income)	3.92	-	3.92
<b>Total amount recognised in profit or loss</b>	<b>10.35</b>	-	<b>10.35</b>
<b>Remeasurements</b>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	0.56	-	0.56
Actuarial (gain)/loss from unexpected experience	(1.91)	-	(1.91)
<b>Total amount recognised in other comprehensive income</b>	<b>(1.35)</b>	-	<b>(1.35)</b>
Employer contributions/premium paid	-	-	-
Benefit payments	(6.72)	-	(6.72)
Disposal/Transfer of Asset	-	-	-
<b>31st March 2021</b>	<b>58.34</b>	-	<b>58.34</b>

#### Net asset/(liability) recognised in the balance sheet

(₹ in Lakhs)		
Particulars	31 March, 2021	31 March, 2020
Present value of Defined Benefit Obligation	(58.34)	(56.06)
Fair Value of Plan Assets	-	-
<b>Net Asset/(Liability) in the Balance Sheet</b>	<b>(58.34)</b>	<b>(56.06)</b>
Current Asset/(liability)	(5.93)	(8.10)
Non-Current Asset/(liability)	(52.41)	(47.96)

#### (ii) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31 March, 2021	31 March, 2020
Discount rate	6.90%	7.00%
Salary growth rate	6.00%	6.00%
Withdrawal rate	1% to 8%	1% to 8%
Mortality rate	IALM (2012-14) Table	IALM (2006-08) Table

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

### (iii) Sensitivity analysis

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

(₹ in Lakhs)

Particulars	Impact on defined benefit obligation			
	31 March, 2021		31 March, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	53.31	64.17	51.30	61.59
Salary growth rate (-/+ 1%)	64.40	53.03	61.77	51.08
Withdrawal rate (-/+ 1%)	58.68	57.95	56.40	55.67

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

### (iv) The major categories of plan assets

The defined benefit plans are not funded with any Insurance Company of India.

(₹ in Lakhs)

Major Categories of Plan Assets as a percentage of total plan assets	31 March, 2021	31 March, 2020
Funds managed by Insurer	Nil	Nil

### (v) Risk exposure

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

#### Interest risk:

A decrease in the interest rate on plan assets will increase the plan liability.

#### Life expectancy:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

#### Salary growth risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

### (vi) Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31st March 2022 are ₹ 16.90 lacs.

The weighted average duration of the defined benefit obligation is 6.49 years (31st March 2020 : 5.29 years). The expected maturity analysis of undiscounted gratuity is as follows:

(₹ in Lakhs)

Particulars	Less than a year	Between 2- 5 years	Over 5 years
<b>31st March 2021</b>			
Defined benefit obligation (gratuity)	5.93	4.74	24.63
<b>Total</b>	<b>5.93</b>	<b>4.74</b>	<b>24.63</b>
<b>31st March 2020</b>			
Defined benefit obligation (gratuity)	8.10	12.64	21.02
<b>Total</b>	<b>8.10</b>	<b>12.64</b>	<b>21.02</b>

### (c) Provident Fund

Contribution towards provident fund are recomputed as expenses in the Statement of Profit and Loss. The Company has a defined contribution plan. Under the defined contribution plan, provident fund is contributed to the Government administered provident fund. The Company has no further contractual nor any constructive obligation, other than the contribution payable to the provident fund. The expense recognised during the period towards defined contribution plan is ₹ 15.74 Lakhs (31st March, 2020: ₹ 19.22 Lakhs)

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

### 37. ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	(₹ in Lakhs)	
	31 March 2021	31 March 2020
<b>Current</b>		
<b>Financial assets</b>		
<i>First charge</i>		
Inventory	1,785.54	1,667.43
Trade receivables	2,207.76	3,844.12
Loans	251.45	134.18
Cash & Cash Equivalents	2,947.46	158.82
Bank balances other than above	3,296.28	-
Other financial assets	378.69	331.16
Other current assets	743.09	749.14
<b>Total current assets pledged as security</b>	<b>11,610.27</b>	<b>6,884.85</b>
<b>Non-current</b>		
<i>Second charge</i>		
Property, plant and equipment, intangible assets	1,560.49	1,734.55
<b>Total non-currents assets pledged as security</b>	<b>1,560.49</b>	<b>1,734.55</b>
<b>Total assets pledged as security</b>	<b>13,170.76</b>	<b>8,619.40</b>

### 38. FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	(₹ in Lakhs)					
	31 March 2021			31 March 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Security Deposits	-	-	56.21	-	-	56.21
Loan	-	-	251.45	-	-	134.18
Advance given to suppliers recoverable	-	-	19.55	-	-	19.55
Advance given for services and expenses recoverable	-	-	407.77	-	-	360.87
Trade Receivable	-	-	2,207.76	-	-	3,844.12
Cash and cash equivalents	-	-	2,947.46	-	-	158.82
Bank balances other than above	-	-	3,296.91	-	-	-
	-	-	<b>9,187.11</b>	-	-	<b>4,573.75</b>
<b>Financial liabilities</b>						
Borrowing	-	-	385.45	-	-	121.85
Trade Payable	-	-	16.12	-	-	68.71
Lease Liabilities	-	-	46.56	-	-	45.93
Salary & Bonus Payable to Employees	-	-	33.24	-	-	34.03
Other Liabilities	-	-	863.60	-	-	1,021.05
	-	-	<b>1,344.97</b>	-	-	<b>1,291.57</b>

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

### 38. FINANCIAL INSTRUMENTS BY CATEGORY (Contd.)

#### (i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments is determined using discounted cash flow analysis.

#### (iii) Fair value of financial assets and liabilities measured at amortised cost

(₹ in Lakhs)

Particulars	31 March, 2021		31 March, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Security Deposits	56.21	56.21	56.21	56.21
<b>Total financial assets</b>	<b>56.21</b>	<b>56.21</b>	<b>56.21</b>	<b>56.21</b>
<b>Financial liabilities</b>				
Borrowings	117.00	117.00	190.55	190.55
Lease Liabilities	46.56	46.56	45.93	45.93
<b>Total financial liabilities</b>	<b>163.56</b>	<b>163.56</b>	<b>236.48</b>	<b>236.48</b>

The carrying amounts of all other financial assets and financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk. The carrying amounts of other borrowings with floating rate of interest are considered to be close to the fair value.

The fair values for financial instruments were calculated based on cash flows discounted using current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

#### Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (ii) above.



## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

#### 39. LEASE

##### Movement of lease liabilities

Particulars	(₹ in Lakhs)	
	31 March, 2021	31 March, 2020
<b>Opening balance</b>	<b>45.93</b>	-
Additions (Transitional impact on adoption of Ind AS 116)	-	48.32
Additions	5.32	-
Deletions	-	-
Add: Interest recognised during the year	4.58	4.36
Less: Payments made	(9.27)	(6.75)
<b>Closing balance</b>	<b>46.56</b>	<b>45.93</b>

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

The Company has recognized interest on lease liability of ₹ 4.58 Lakhs under Finance Costs (Previous year ₹ 4.36 Lakhs).

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

#### 40. CAPITAL MANAGEMENT

##### Risk management

- The Company's objectives when managing capital are to:
  - safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and
  - maintain an optimal capital structure to reduce the cost of capital
- In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.
- The amount mentioned under total equity in balance sheet is considered as Capital.
- The Company does not have any externally imposed capital requirements.

#### 41. FINANCIAL RISK MANAGEMENT

The Company's activities are exposed to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Measurement	Management
(A) Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost.	Ageing analysis	Diversification of customer base
(B) Liquidity risk	Financial liabilities that are settled by delivering cash or another financial asset.	Cash flow forecasts	Projecting cash flows and considering the level of liquid assets necessary to meet the liabilities.
(C) Market risk – interest rate risk	Long-term borrowings at fixed rates	Sensitivity analysis	Portfolio of loan contains fixed interest loans from financial institutions.
(D) Market risk – foreign exchange risk	Future commercial transactions and recognised financial assets & liabilities not denominated in Indian National Rupee (INR).	Cash flow forecasting Sensitivity analysis	Projecting cash flows and considering the forecast of fluctuation in exchange rates
(E) Market risk – price risk	Investments in equity securities	Sensitivity analysis	Continuous monitoring the performance of investments

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

#### (A) 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) including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

##### i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying 30 days credit terms. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically. The ageing of trade receivables as of balance sheet date is given below. The age analysis have been considered from the due date:

Particulars	(₹ in Lakhs)				
	Not due	Less than 6 months	6 months - 1 year	> 1 year	Net carrying amount of trade receivable
Trade receivable as on 31st March, 2021	1,075.09	1,132.64	0.03	-	2,207.76
Trade receivable as on 31st March, 2020	925.59	2,777.25	33.16	108.12	3,844.12

##### ii) Financial instruments and deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department. For banks and financial institutions, only high rated banks/institutions are accepted.

Financial assets are considered to be of good quality and there is no significant credit risk.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31st March 2021 and 31st March 2020 is the carrying amounts as illustrated in Note 38.

#### (B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the underlying business, the Company maintains sufficient cash and liquid investments available to meet its obligation.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The management also considers the cash flows projection and level of liquid assets necessary to meet these on a regular basis.

##### (i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	(₹ in Lakhs)	
	31 March, 2021	31 March, 2020
Floating Rate		
- Expiring within one year (bank overdraft and other facilities)	2,652.20	2,995.15
<b>Total</b>	<b>2,652.20</b>	<b>2,995.15</b>

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

##### Maturities of financial liabilities

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

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

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

					(₹ in Lakhs)
Contractual maturities of financial liabilities - 31st March, 2021	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Trade payables	1.81	-	14.31	-	16.12
Borrowings	79.35	37.65	-	-	117.00
Interest payable on above borrowings	6.22	1.22	-	-	7.45
Lease Liabilities	8.55	8.55	20.25	33.74	71.09
Other financial liabilities	817.49	-	-	-	817.49
<b>Total financial liabilities</b>	<b>913.42</b>	<b>47.43</b>	<b>34.56</b>	<b>33.74</b>	<b>1,029.15</b>

					(₹ in Lakhs)
Contractual maturities of financial liabilities - 31st March, 2020	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Trade payables	54.40	-	14.31	-	68.71
Borrowings	78.40	79.35	37.65	-	195.40
Interest payable on above borrowings	12.03	6.22	1.22	-	19.47
Lease Liabilities	6.75	6.75	20.25	40.49	74.24
Other financial liabilities	984.15	-	-	-	984.15
<b>Total financial liabilities</b>	<b>1,135.73</b>	<b>92.32</b>	<b>73.43</b>	<b>40.49</b>	<b>1,341.97</b>

### (C) Market risk – Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31st March 2021, the Company's borrowings at variable rate were mainly denominated in INR.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### (a) Interest rate risk exposure

##### On Financial Liabilities:

The exposure of the Company's financial liabilities to interest rate risk is as follows :

			(₹ in Lakhs)
Particulars	31 March, 2021	31 March, 2020	
Variable rate borrowings	347.80	4.85	
Fixed rate borrowings	117.00	190.55	
<b>Total borrowings</b>	<b>464.80</b>	<b>195.40</b>	

#### (b) Sensitivity

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

Particulars	(₹ in Lakhs)	
	31 March, 2021	31 March, 2020
Interest expense rates – increase by 50 basis points (2020: 50 bps)*	(1.74)	(0.02)
Interest expense rates – decrease by 50 basis points (2020: 50 bps)*	1.74	0.02

\* Holding all other variables constant

### (D) Market risk – Foreign currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Further foreign exchange risk also arises from future cash flow against foreign currency loan. The risk is measured through a forecast of highly probable foreign currency cash flows.

### (E) Market risk – Price risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

The Company's exposure to equity securities price risk arises from investments held by the company in equity securities and classified in the Balance Sheet as at fair value through profit and loss. The Company has investment in quoted and unquoted equity securities. Investment is done in accordance with the limits set by the Company. The Company's Board of Directors reviews and approves all investment decisions.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

### 42. RELATED PARTY DISCLOSURES

#### I. Name of the related parties and related party relationship:

Sl. No.	Names of the related parties where control exists	Nature of relationship
A.	Star Cement Limited (SCL)	Enterprise owned/influenced by KMP
	Meghalaya Power Limited (MPL)	Associate (upto 15.02.2021)
B.	<b>Key Management Personnel</b>	
	<b>Name of the Related Parties</b>	<b>Nature of relationship</b>
	Mr. Sumanta Kumar Patra	Chief Executive Officer (w.e.f. 29.06.2020)
	Mr. Uday Bahadur Chetri	Chief Financial Officer (w.e.f. 09.06.2021)
	Mr. Kamlesh Pathak	Chief Financial Officer (upto 22.03.2021)
	Ms. Neha Agarwal	Company Secretary

#### II. Details of transactions between the Company and related parties and the status of outstanding balance as at 31st March 2021 and 31st March 2020 are given hereunder:

(₹ in Lakhs)

Sl. No.	Type of Transactions	Associate		Key Management Personnel		Enterprise Owned/ Influences by KMP	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
<b>1</b>	<b>Sale of Capital Asset</b>						
	Star Cement Limited	-	-	-	-	-	55.89
<b>2</b>	<b>Sale of Investment</b>						
	Star Cement Limited	-	-	-	-	4,012.32	-
<b>3</b>	<b>Remuneration Paid</b>						
	Mr. M.V.K.Nageswara Rao	-	-	-	27.71	-	-
	Mr. Sumanta Kumar Patra	-	-	13.84	-	-	-
	Mr. Kamlesh Pathak	-	-	7.54	3.47	-	-
	Mr. Uday Bahadur Chetri	-	-	-	1.10	-	-
	Ms. Neha Agarwal	-	-	8.37	8.09	-	-
<b>4</b>	<b>Outstanding Balances as at 31st March, 2021:</b>						
	<b>Investment</b>						
	Meghalaya Power Limited	-	3,373.50	-	-	-	-

#### III. Key Management Personnel Compensation

(₹ in Lakhs)

Particulars	31 March, 2021	31 March, 2020
Short-term employee benefits	29.75	40.37
Post-employment benefits	-	-
Long-term employee benefits	-	-
<b>Total compensation</b>	<b>29.75</b>	<b>40.37</b>

Notes:

- The sale to related party has been made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.
- Post-employment benefits and long-term employee benefits are determined on the basis of actuarial valuation for the company as a whole and hence segregation is not available.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

### 43. CONTINGENT LIABILITIES & COMMITMENTS

(₹ in Lakhs)

Sl. No.	Particulars	31 March, 2021	31 March, 2020
(i)	Claims against the company not acknowledged as debts - Excise / VAT / Income Tax matters etc.	1,851.32	2,710.88

Note : Based on legal opinion / decisions in similar cases, the Management believes that the Company has a fair chance of favorable decisions in cases mentioned here-in-above and hence no provision is considered necessary. The amounts shown above represent the possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants, as the case may be and, therefore, cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

- (a) On the basis of the direction of the High Court of Meghalaya dated 30.08.2018 following the decision of the Supreme Court dated 10.11.2017 passed in SRD Nutrients Pvt. Ltd. -vs- Commissioner of Central Excise, Guwahati, Company has received a refund of Education Cess and Secondary & Higher Education Cess amounting to ₹ 112.04 Lakhs in previous years. However, the Apex court vide its order dated 06.12.2019 have taken a contrary view in the matter of M/s Unicorn Industries -vs- Union of India and Others. Based on the later judgement a demand letter was raised by the department to refund back the amount granted. As the order dated 30.08.2018, has attained its finality and the refund was granted accordingly, the Company has preferred a writ petition before the Meghalaya High Court against the above demand letter. Meghalaya High Court has stayed the said demand vide its order dated 16.06.2020. Based on the legal advice obtained by the Company from External Counsel as well as its own assessment there is every likelihood that the said demand will be quashed and therefore no provision have been taken in the books of account.
- (b) In respect of demand notice dated 19.02.2020 received by the Company from Director of Mineral Resources, Meghalaya, for payment of royalty, MEPRF, VAT/GST for ₹ 1,738.99 Lakhs in pursuance to the National Green Tribunal (NGT) order dated 17.01.2020 passed in O.A. No. 110(TCH)/2012 for alleged illegal coal procurement. By passing the said order NGT has accepted the Recommendation of the 5th Interim Report of the Independent Committee set up by NGT, which has suggested imposition of penalty on Cement Companies and Thermal Power Plants in Meghalaya.

The Company has not purchased any illegal coal and has complied with all disclosure requirements of the various Government Departments. The Report of NGT Committee has been founded on the basis of assumptions and views of the Committee and not on hard facts. Further to note that the Company has neither been issued a show-cause nor any opportunity of being heard was given to the Company before submitting the Interim reports by the Independent Committee to NGT. Even NGT has not served any notice on the Company before passing the impugned order dated 17.01.2020 which is clear violation of principles of natural justice.

The Company backed by the legal opinions, believes that it has a good case in the matter as the said order was issued based on certain hypothetical assumptions and views and not on hard facts. No opportunity of being heard was provided to the Company either by NGT committee or by NGT itself which passed order without going into the merits & facts and accepted the recommendations of 5th Interim Report. Therefore, there is every likelihood of the Demand Notice and the order of the NGT being set aside. The Company has preferred an appeal before the Supreme Court of India against the NGT Order, and accordingly, no provisions has been made in the accounts.

### 44. EXCEPTIONAL ITEM

Supreme Court vide its' order dated 21.01.2021 has rejected the Review petition filed by the Company against its' Judgment dated 22.04.2020 in the matter of Union of India -vs- M/s V.V.F Limited & Others. As the said order reached its' finality, the Company has refunded 50% of differential Excise duty amounting to ₹ 859.78 Lakhs which was received by the company in previous years, and for which the demand letter was issued by the Department. The Company has also reversed the balance refund amounting to ₹ 859.85 Lakhs which was shown as receivable and recognized as income in previous years. Refund/ Reversal on account of both amounting to ₹ 1,719.63 Lakhs was shown as Exceptional Item in the Statement of Profit and Loss Account for the current financial year.

### 45. PAYMENT TO AUDITOR

(₹ in Lakhs)

Nature of Expenditure	2020-21	2019-20
<b>As Auditor</b>		
- Statutory Audit Fees	1.50	1.80
- Tax Audit Fees	0.25	0.25
<b>In Other Capacity</b>		
Certification Fees and Other Services	1.70	1.56
<b>Total</b>	<b>3.45</b>	<b>3.61</b>

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

### 46. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural developments projects.

A CSR Committee has been formed by Company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

- a) Gross Amount required to be spent by the company during the year is ₹ 20.35 lakhs (31st March 2020 : ₹ 25.88 lakhs)  
b) Amount spent during the year:

		(₹ in Lakhs)	
Sl. No.	Nature of Expenditure	2020-21	2019-20
(i)	Education	22.00	26.40
(ii)	Health and Sanitation	2.02	-
	<b>Total</b>	<b>24.02</b>	<b>26.40</b>

47. There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of the information available with the company.

48. During the year, the Company has sold its entire holding of 48.80% in Meghalaya Power Limited and as a result, the company ceased to be an associate and hence consolidation of accounts is not applicable.

49. The Company is primarily engaged in the manufacture and sale of ferro silicon. There are no separate reportable segments as per Ind AS 108, "Operating Segments".

50. The Company has considered the possible effects that may result from COVID-19 in the preparation of these financial Statements. The Company believes that pandemic is unlikely to impact on the recoverability of the carrying value of its assets as at 31st March, 2021. Looking to the present situation of pandemic, the extent to which the same will impact Company's future financial results is currently uncertain and will depend on further developments.

51. The financial statements are approved by the Audit Committee at its meeting held on 9th June, 2021 and by the Board of Directors on the same date.

As per our report of even date

#### For A K S D & Associates

(Formerly Kailash B Goel & Co.)

Firm Registration No. 322460E

Chartered Accountants

#### CA. Arun Kumar Sharma

Partner

Membership No. 057329

Place : Kolkata

Date : 9th June, 2021

#### Sumanta Kumar Patra

Chief Executive Officer

#### Uday Bahadur Chetri

Chief Financial Officer

#### Rajesh Kumar Agarwal

Director

DIN : 00223718

#### Neha Agarwal

Company Secretary

For and on behalf of the Board of Directors

#### Aditya Vimalkumar Agrawal

Director

DIN : 03330313

# SHYAM CENTURY FERROUS LIMITED

CIN: L27310ML2011PLC008578

Regd. Office: Vill: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210  
Corporate Office: 'Century House', 2nd floor, P 15/1, Taratala Road, Kolkata-700 088  
Tel: 03655 – 278215/16/18, Fax: 03655-278217, Email: [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com)  
Website: [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com)

## NOTICE TO THE SHAREHOLDERS

**NOTICE** is hereby given that the **TENTH ANNUAL GENERAL MEETING** of the Members of **Shyam Century Ferrous Limited** will be held on Thursday, 30th September, 2021 at 2:00 P.M. (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") facility to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2021 and the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sajjan Bhajanka (DIN: 00246043), who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of Statutory Auditors of the Company

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

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. D. K. Chhajer & Co., Chartered Accountants (Firm Registration No. 304138E) be and are hereby appointed as the Statutory Auditors of the Company in place of M/s. A K S D & Associates, Chartered Accountants (Firm Registration No. 322460E), the retiring Auditors, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 15th Annual General Meeting to be held in 2026, at such remuneration as set out in the explanatory statement annexed to this notice."

### SPECIAL BUSINESS:

4. **Appointment of Mr. Rajesh Kumar Agarwal as a Non-Executive Director**

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 152, 161 and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) ("Act") and applicable provisions of

the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, Mr. Rajesh Kumar Agarwal (DIN: 00223718) who was appointed by the Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee at their meeting held on 8th February, 2021 as an Additional Director in Non-Executive category and who holds office upto the date of this Annual General Meeting, and being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company liable to retire by rotation;

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) and/or Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

5. **Appointment of Mr. Nirmalya Bhattacharyya as an Independent Director**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Articles of Association of the Company and pursuant to the recommendation of Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Nirmalya Bhattacharyya (DIN: 09037566) who was appointed as an Additional Director in the capacity of Independent Director, who has submitted a declaration that he meets the criteria for independence

as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. Nirmalya Bhattacharyya's candidature for the office of Director and as such who holds office upto the date of Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) years commencing from 1st April, 2021 upto 31st March, 2026 and that approval be and is hereby also accorded pursuant to Regulation 17(1A) of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended, for his continuation as an Independent Director after he attains the age of 75 years during the tenure of his directorship with the Company as aforesaid;

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) and/or Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

6. **Ratification of Remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2022**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the Members of the Company be and is hereby accorded to ratify and confirm the remuneration of ₹ 55,000 (Rupees fifty five thousand only) plus applicable taxes and re-imburement of out of pocket expenses incurred, if any to be paid to M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration number 000064), appointed by the Board of Directors on the recommendation of the Audit Committee as the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2022;

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or Company Secretary of the Company, be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. **Approval for Material Related Party Transactions**

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

**"RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) upto an amount of ₹ 20 crores in a Financial Year entered or to be entered into by the Company with Meghalaya Power Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting, for financial years commencing from financial year 2021-22;

**RESOLVED FURTHER THAT** the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/ modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transactions/ contracts with the Related parties."

8. **Approval for Material Related Party Transactions**

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

**"RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions



of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) upto an amount of ₹ 50 crores in a Financial Year entered or to be entered into by the Company with Star Cement Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1) (zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting, for financial years commencing from financial year 2021-22;

**RESOLVED FURTHER THAT** the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/ modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transactions/ contracts with the Related parties."

9. **Place for keeping register of Members and copies of annual return etc., other than Registered Office of the Company:**

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

**"RESOLVED THAT** pursuant to the provisions of Section 94 sub-section (1) and other applicable provisions, if any, of the Companies Act, 2013 and the rules and regulations framed thereunder, including any amendment thereof, the consent of the Members be and is hereby accorded to keep the Register and Index of Members of the Company as required to be maintained under Section 88 of the Companies Act, 2013 and copies of Annual Returns together with copies of all certificates and documents required to be annexed or attached thereto, as filed under section 92 of the Companies Act, 2013 and other statutory registers required to be maintained,

at its Corporate Office at "Century House, 2nd floor, P-15/1, Taratala Road, Kolkata-700 088" or any other place within the 'Kolkata' city, instead of and / or in addition to the said registers or copies of annual returns being kept and maintained at the Registered Office of the Company;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be required for giving effect to the aforesaid resolution."

10. **Giving Loans/ Guarantees or providing securities for and on behalf of Companies and / or making investments in Companies**

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

**"RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time), subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to give loans to any person or body corporate including subsidiary (ies) whether existing or to be formed and / or give any guarantee or provide security in connection with a loan to any person or any other body corporate, any subsidiary company(ies), whether existing or to be formed and/ or acquire by way of subscription, purchase or otherwise, the securities of any other body corporates upto an aggregate amount not exceeding ₹ 100 crore (Rupees One Hundred crores only) over and above the limits specified in 186(2) of the Companies Act, 2013 notwithstanding that the aggregate of the loans or guarantees or securities so far given or to be given by the Company may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and his hereby authorized to negotiate and decide from time to time, terms and conditions, execute necessary documents, papers, agreements, etc., for investments to be made, loans/guarantees to be given and securities to be provided to any person and/or any other body corporate, to do all such acts,

deeds, matters and things, and to give such directions as may be necessary or expedient as the Board in its absolute discretion, may deem fit and its decision shall be final and binding and to settle any question, difficulty that may arise in this regard and to delegate all or any of these powers to any Committee of Directors or Director or Officer of the Company or any other person."

#### 11. **Enhancement of Borrowing Power**

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

**"RESOLVED THAT** pursuant to provisions of Section 180(1)(c) of the Companies Act, 2013 and any other applicable provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof and any rules thereunder for the time being in force), consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time as they may think fit for the purpose of the business any sum or sums of money which together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital of the Company and its free reserves, that is to say reserves not set apart for any specific purpose, provided that aggregate of the moneys borrowed or to be borrowed by the Board of Directors of the Company shall not at any time exceed ₹ 100 Crores (Rupees One Hundred Crores Only) over and above the aggregate of the paid up share capital of the Company and its free reserves as per the latest audited accounts;

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or a Committee thereof be and is hereby authorized to do or cause to be done all such acts, matters, deeds and other things as may be required or considered necessary or incidental thereto, for giving effect to the aforesaid resolution."

#### 12. **Creation of charges or mortgages and hypothecations**

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 180(1)(a) of the Companies Act, 2013 and any other applicable provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof and any rules thereunder for the time being in force), consent of the members, be is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which expression shall also include a committee thereof) to mortgage, hypothecate, create charge or security in such manner, in such form and upon such assets of the Company, both present and future and/or subject to such conditions as the Board/ Committee of the Board may direct, together with power to take over the management of the Company in certain events, to or in favour of financial institutions, foreign financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, any other bodies corporate (hereinafter referred to as the "Lenders") and Trustees for the holders of debentures/ bonds and/or other instruments which may be issued on private placement basis or otherwise to secure borrowing or financial assistance not exceeding ₹ 150 crores (Rupees One Hundred and Fifty Crores only) by way of Rupee Term Loan/ Foreign Currency Loan/ External Commercial Borrowing/ Equipment Finance/ Deferred Credit Guarantee/ debentures/Working Capital limits (Fund and Non Fund Based limits) such as Overdrafts/ Cash Credit, Letters of Credit, Buyers' Credit, Bank Guarantees or any other form together with interest at the agreed rates, further interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and other monies payable by the company in respect of the said borrowings;

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or a Committee thereof be and is hereby authorized to do or cause to be done all such acts, matters, deeds and other things as may be required or considered necessary or incidental thereto, for giving effect to the aforesaid resolution."

Registered Office:  
Vill: Lumshnong, P.O.: Khaliehriat  
Dist.: East Jaintia Hills  
Meghalaya - 793210

Date: 13th August, 2021  
Place : Kolkata

By Order of the Board  
For **Shyam Century Ferrous Limited**

**Neha Agarwal**  
Company Secretary

**NOTES:**

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.

Additional information, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended with respect to appointment of the Statutory Auditors of the Company, as proposed under Item No. 3 of this Notice under Ordinary Business, is also provided in the Explanatory Statement.

The Board of Directors of the Company at its meeting held on 13th August, 2021 considered that the special businesses as specified in the Notice convening the meeting under Item Nos. 4 to 12 being considered unavoidable, be transacted at the Tenth Annual General Meeting.

2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") and the Securities and Exchange Board of India ("SEBI"), permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM facility, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with MCA and SEBI Circulars, the 10th AGM of the Company is being held through VC / OAVM on Thursday, 30th September, 2021 at 02:00 P.M. (IST). The deemed venue for the Tenth Annual General Meeting shall be the Registered office of the Company.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map of the AGM venue are not annexed to this Notice.
4. Pursuant to Section 113 of the Act, Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or Governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/

Authorization shall be sent to the Scrutinizer by email through its registered email address to [csmdshah@gmail.com](mailto:csmdshah@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

5. Pursuant to the MCA circulars, Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Details as required in Regulation 36(3) of the SEBI Listing Regulations, Companies Act, 2013 and Secretarial Standard on General Meeting (SS-2) of ICSI in respect of the Director seeking appointment/ re-appointment at the Annual General Meeting, forms an integral part of the Notice. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.
7. The Board has not recommended any dividend for the year ended 31st March, 2021.
8. Pursuant to Regulation 12 of SEBI (LODR) payment of dividend will be made only by electronic mode directly into the bank account of Members and no dividend warrants or demand drafts will be issued without bank particulars. Please submit bank details along with an original cancelled cheque or Xerox copy of the cheque to our Registrars in case you hold shares in physical form and to your Depository Participants in case shares held in demat. This will facilitate to make payment of dividend as per aforesaid Regulation as and when declared. Members holding shares in the physical form are requested to notify changes in address, email id, bank mandate and bank particulars, if any, under their signatures to M/s. Maheshwari Datamatics Pvt. Ltd., 23 R. N. Mukherjee Road, 5th Floor, Kolkata – 700001, the Registrars and Share Transfer Agents (RTA) of the Company, quoting their Folio numbers. Members holding shares in electronic form may update such information with their respective Depository Participants.
9. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and under their signatures to M/s. Maheshwari Datamatics Pvt. Ltd., 23 R. N. Mukherjee Road, 5th Floor, Kolkata – 700001, the Registrars and Share Transfer Agents (RTA) of the Company, quoting their Folio numbers in case the shares are held by them in physical form.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account

Number (PAN) to the Company/ RTA for registration of transfer of shares, for securities market transactions and off-market/ private transactions involving transfer of shares in physical form. In this connection, the Transferees of Company's shares are requested to submit a copy of their PAN card along with the Transfer Deed. Members holding shares in electronic form are requested to submit their PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or RTA.

11. Pursuant to Section 72 of the Companies Act, 2013, Members holding shares in physical form are advised to file nomination in prescribed Form SH-13 with the RTA. Nomination form can be downloaded from the Company's website: [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com) under the section 'Investors'. In respect of shares held in Electronic/Demat form, Members may please contact their respective Depository Participants.
12. In terms of SEBI Listing Regulations, as amended, securities of listed companies can only be transferred (except in case of transmission or transposition and re-lodged transfer of securities) in dematerialized form with effect from 01st April, 2019. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated 2nd December, 2020 had fixed 31st March, 2021 as the cutoff date for re-lodgement of transfer deeds and the share that are re-lodged for transfer shall be issued only in demat mode. In view of the above, Members are advised to dematerialize shares held by them in physical form. With regard to the same, the Company's Registrar and Share Transfer Agent has already sent three reminder letters to the shareholders, for updating their PAN and Bank Account details and for dematerializing their physical holdings of securities. A guidance note on procedure for dematerialization of shares held in physical form is also placed on the website of the Company under 'Investors' section. Three reminder letters were also sent to the shareholders to claim their unclaimed shares, if any.
13. Members seeking any information with regard to the financial statements or any other matter to be placed at the 10th AGM, can send the same at Company's email address at [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com) from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number on or before 20th September, 2021 by 05:00 p.m. (IST). The same will be replied by the Company suitably.
14. Electronic copies of the documents referred to in the Notice of the 10th AGM of the Company and the Explanatory Statement shall be available for inspection in the "Investors" section of the website of the Company at [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com)
15. In compliance with the MCA Circular and SEBI Circular issued from time to time, the Notice of the AGM along with the Annual Report for 2020-21 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 of the AGM and the Annual Report will also be available on the Company's website at [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com) and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange India Limited for their download. The Notice will also be available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - For Members whose Email ID's are not registered :-
    - a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested scanned copy of PAN card, self-attested scanned copy of any document (such as /Aadhar card/latest Electricity Bill/latest Telephone/Mobile Bill/Driving License/Passport/Voter ID Card/Bank Passbook particulars) at [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com) or to M/s. Maheswari Datamatics Pvt. Ltd. at [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) or members may send the "E-communication registration form" enclosed with this Notice to the Company or to the RTA.
    - b) Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participant.
16. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or its RTA, the details of such folios together with the share certificates and self-attested copies of the PAN for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or its RTA for assistance in this regard.
17. The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, 29th September, 2021 to Thursday, 30th September, 2021 (both days inclusive)**.

18. During the 10th AGM, Members may access the scanned copies of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and the Memorandum and Articles of Association of the Company, upon Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>.
19. In compliance with the provision of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, read with relevant MCA and SEBI circulars and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility of remote e-voting and e-voting during the AGM to all the Members to enable them to cast their vote electronically in respect of business to be transacted at the Meeting, for which the Company has engaged the services of National Securities Depository Limited (NSDL). The Members holding shares either in physical form or in dematerialized form, desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.
20. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Thursday, 23rd September, 2021** are entitled to vote on the Resolutions set forth in this Notice and a person who is not a Member as on cut-off date should treat this notice for information purpose only. The Members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). Members who have acquired shares after the dispatch of the Notice of Annual General Meeting and before the cut-off date may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.
21. The Companies (Management and Administration) Rules, 2014, as amended provides that the electronic voting period shall remain open for atleast three days and shall close at 5.00 p.m. on the date preceding the date of the AGM. Accordingly, the remote e-voting period will commence at **9.00 a.m. on Sunday, 26th September, 2021 and will end at 5.00 p.m. on Wednesday, 29th September, 2021**. The Company has appointed Md. Shah Nawaz, Practising Company Secretary (Membership no. ACS 21427 and Certificate of Practice no. 15076), to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting.
22. The Scrutinizer shall after the conclusion of Annual General Meeting, first download the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting and shall submit the consolidated scrutinizer's report, within 2 (two) working days of conclusion of General Meeting to the Chairman or any other person authorized by the Board. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company i.e., [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com) and also be displayed on the Notice board of the Company at its registered office and on the website of NSDL i.e. [www.nsdl.co.in](http://www.nsdl.co.in) immediately after the results are declared. The results shall simultaneously be communicated to the Stock Exchanges.
23. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e., Thursday, 30th September 2021.
24. **PROCEDURE FOR REMOTE E-VOTING**
- The Company has entered into an arrangement with National Securities Depository Limited (NSDL) for facilitating e-voting for AGM. The instructions for remote e-voting are as under:
- Step 1: Access to NSDL e-Voting system**
- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**
- Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts /websites of Depositories / Depository Participants (DPs) in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and email ID in their demat accounts with their respective DPs in order to access the 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.	<p><b>NSDL IDeAS facility</b></p> <p><b>a) If you are already registered, follow the below steps:</b></p> <ul style="list-style-type: none"> <li>• Visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile.</li> <li>• On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services.</li> <li>• Click on <b>"Access to e-Voting"</b> appearing on the left hand side under e-Voting services and you will be able to see e-Voting page.</li> <li>• Click on options available against company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; e-voting during the meeting.</li> </ul> <p><b>b) If you are not registered, follow the below steps:</b></p> <ul style="list-style-type: none"> <li>• Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>.</li> <li>• Select <b>"Register Online for IDeAS Portal"</b> appearing on the left hand side of the home page of e-services or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>• After successful registration, please follow below mentioned steps:               <ol style="list-style-type: none"> <li>a. 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.</li> <li>b. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.</li> <li>c. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>d. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol> </li> <li>• Shareholders/Members can also download NSDL Mobile App <b>"NSDL Speede"</b> facility for seamless voting experience.</li> </ul>
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, 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 is <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit the website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on "New System Myeasi" option available under "Login" section.</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 (ESP) 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> </ol>

Type of shareholders	Login Method
	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from the E-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile & 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.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<ol style="list-style-type: none"> <li>1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>2. Once logged in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>3. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

**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 websites.

**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 helpdesk <a href="mailto:evoting@cdslindia.com">evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting 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.
4. 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.**
5. 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***

6. Your password details are given below:
    - i. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
    - ii. 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.
  7. 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. Open the .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 with the Company/Depository, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
  8. 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.
  9. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  10. Now, you will have to click on "Login" button.
  11. After you click on the "Login" button, Home page of e-Voting will open.
- Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**
- How to cast your vote electronically and join General Meeting 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 and General Meeting is in active status.
  2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
  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.
- 25. General Guidelines for shareholders**
1. Corporate and 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, together with the attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csmdshah@gmail.com](mailto:csmdshah@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a member of the Company after the notice is sent through e-mail 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. If password is forgotten, the same can be reset by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on Toll Free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode and 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 follow steps mentioned in the Notice of the AGM under Step 1: "Access to NSDL e-Voting system".

3. 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.
4. In case of any queries relating to e-voting, 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 [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). In case of any grievances connected with facility for e-voting, please contact to Mr. Amit Vishal, Senior Manager-NSDL at [amitv@nsdl.co.in](mailto:amitv@nsdl.co.in) and /or Ms. Pallavi Mhatre, Manager-NSDL at [evoting@nsdl.co.in/pallavid@nsdl.co.in](mailto:evoting@nsdl.co.in/pallavid@nsdl.co.in).

**26. 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, Number of equity shares held, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of any document (such as AADHAAR card/ latest Electricity Bill / latest Telephone/Mobile Bill / Driving License / Passport / Voter ID Card /Bank Passbook particulars) in support of the postal

address of the Member as registered against their shareholding, by email to the Company at [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com).

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, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card to [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com) or register/update the same through respective Depository Participants (DPs). Any such updation effected by the DPs will automatically reflect subsequently in the Company's records. 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 and joining virtual meeting for Individual shareholders holding securities in demat mode.
  3. Alternatively 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 the providing e details mentioned in Point (1) or (2) as the case may be.
- 27. INSTRUCTIONS FOR MEMBERS FOR PARTICIPATING IN THE AGM THROUGH VC/OAVM ARE AS UNDER:**
1. Member will be able to attend the AGM through VC/OAVM or view the live webcast of the AGM provided by NSDL at <https://www.evoting.nsdl.com> by following the steps mentioned above for access to NSDL e-Voting system. After successful login, you can see link of VC/OAVM placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu.
  2. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice. Further, Members can also use the OTP based login for logging into the e-Voting system of NSDL will be able to attend the AGM through VC/OAVM by using the facility provided by NSDL at <https://www.evoting.nsdl.com>.
  3. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting and shall be kept open throughout the proceedings of the AGM by following the procedure mentioned in the Notice. Members under the category of Institutional

Investors are encouraged to attend the AGM and also vote through remote e-Voting or e-Voting during the AGM.

4. Members are encouraged to join the Meeting through Laptops for better experience. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members seeking any information with regard to the financial statements or any other matter to be placed at the 10th AGM, can send the same at Company's email address at [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com) from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number on or before 20th September, 2021 by 05:00 p.m. (IST). The same will be replied by the Company suitably.
6. Members, who would like to express their views as a speaker at the Meeting are requested to register themselves by sending their request from their registered email address mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's email address at [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com) by 25th September, 2021 by 05:00 p.m. (IST). Only those Members who have registered themselves as a speaker shall be allowed to express their views during the 10th AGM. The Company reserves the right to restrict the number of questions and number of speakers depending on the availability of time for smooth conduct of the AGM.
7. When a registered speaker is invited to speak at the meeting but he / she does not respond, the

next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.

8. In case of joint holders attending the Meeting, the Members whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote electronically at the AGM.
  9. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
28. **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. The Members who have cast their vote by remote e-Voting prior to the 10th AGM may also participate in the 10th AGM through VC/ OAVM Facility but shall not be entitled to cast their vote again. If a member casts vote again, then voting done through remote e-voting shall prevail and vote cast at the Meeting shall be treated as "INVALID".
4. The Helpline details of the person who may be contacted by the Member needing assistance with the use of technology, before or during the 10th AGM shall be as hereunder:

Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) or at Toll Free No. 1800 1020 990 and 1800 22 44 30.

Registered Office:  
Vill: Lumshnong, P.O.: Khaliehriat  
Dist.: East Jaintia Hills  
Meghalaya - 793210

Date: 13th August, 2021  
Place : Kolkata

By Order of the Board  
For **Shyam Century Ferrous Limited**

**Neha Agarwal**  
Company Secretary

## EXPLANATORY STATEMENT

(Pursuant to section 102(1) of the Companies Act, 2013)

### Item No.3

M/s. A K S D & Associates, Chartered Accountants (Firm Registration No. 322460E), Company's Statutory Auditors will complete their present term on conclusion of this AGM in terms of Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014. The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, for the appointment of M/s. D.K. Chhajer & Co., Chartered Accountants (Firm Registration No. 304138E), as the Statutory Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 15th AGM. On the recommendation of the Committee, the Board also recommended for the approval of the Members, the remuneration of ₹ 2,00,000/- (Rupees two lakhs only) plus applicable taxes and reimbursement of out of pocket expenses payable to the Statutory Auditors

The Committee and the Board have considered various parameters like audit experience of the firm, market standing of the firm, clientele served, technical knowledge etc., and found M/s. D.K. Chhajer & Co to be suitable to handle the audit of the financial statements of the Company.

M/s. D. K. Chhajer & Co., Chartered Accountants is a partnership firm established in 1964. The firm is managed by a team of professionals drawn from wide range of industries and backgrounds. The firm caters to a very wide spectrum of prestigious business houses. The firm steadfastly adheres to quality and specializes in the sector of bank audit and has almost covered all the areas of auditing. It is experienced in the field of statutory audit, internal audit, concurrent audit, forensic audit, ASM audit etc.

M/s. D. K. Chhajer & Co. have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in Resolutions set out at Item no. 3.

The Board recommends this Resolution for your approval.

### Item No.4

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its Board Meeting held on 8th February, 2021 appointed Mr. Rajesh Kumar Agarwal (DIN: 00223718) as an Additional Director in Non-Executive Category of the Company with effect from 8th February, 2021, subject to regularization/approval of the shareholders at the ensuing Annual General Meeting (AGM).

In terms of Section 161(1) of the Companies Act, 2013, Mr. Rajesh Kumar Agarwal, holds office upto the date of the ensuing Annual General Meeting of the Company and is eligible for appointment as Director, liable to retire by rotation, subject to the approval of the shareholders. Notice under Section 160(1) of the Companies Act, 2013 along with requisite deposit have been received from a Member, signifying his intention to propose the appointment of Mr. Rajesh Kumar Agarwal as Director of the Company.

Mr. Rajesh Kumar Agarwal has given his consent to act as a Director of the Company if appointed, in writing in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 and disclosure in Form DIR-8 pursuant to Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mr. Rajesh Kumar Agarwal fulfills the conditions specified in the Companies Act, 2013 read with rules made thereunder and the Listing Regulations for his appointment as a Director of the Company. Brief resume of proposed appointee Director, nature of his expertise in specific functional areas and names of companies in which he holds Directorships and Memberships / Chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under the Listing Regulations with the Stock Exchanges, have been provided as an Annexure to this Notice.

Mr. Rajesh Kumar Agarwal, aged 50 years, is a commerce graduate and a diploma holder in computer science having more than 30 years of rich experience in Administration, Logistics, Information Technology & Procurement Material Management, Insurance and IPR. He has also completed a Strategic Sourcing & Supply Chain Management from IIM -Bangalore and is also Certified Global Negotiation Executive Training (CCNA) from The Institute of Supply Chain Management. His association as Director would be beneficial to the Company.

Keeping in view, the vast expertise and knowledge, the Board considers that the appointment of Mr. Rajesh Kumar Agarwal would be of immense benefit to the Company and it is desirable to avail services of Mr. Rajesh Kumar Agarwal, as a Non-Executive Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Rajesh Kumar Agarwal, as a Non Executive Director, as an Ordinary Resolution for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Rajesh Kumar Agarwal for his appointment, are concerned or interested, financially or otherwise, in Resolutions set out at item no. 4.

The Board recommends this Resolution for your approval.

**Item No.5**

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its Board Meeting held on 8th February, 2021 appointed Mr. Nirmalya Bhattacharyya (DIN: 09037566) as an Additional Director (Category – Independent) of the Company with effect from 1st April, 2021 for a term upto 31st March, 2026, subject to regularization/approval of the shareholders at the ensuing Annual General Meeting (AGM).

In terms of Section 161(1) of the Companies Act, 2013, Mr. Nirmalya Bhattacharyya, holds office upto the date of the ensuing Annual General Meeting of the Company and is eligible for appointment as Director, not liable to retire by rotation, subject to the approval of the shareholders. Notice under Section 160(1) of the Companies Act, 2013 along with requisite deposit have been received from a Member, signifying his intention to propose the appointment of Mr. Nirmalya Bhattacharyya as Director of the Company.

Mr. Nirmalya Bhattacharyya has given his consent to act as an Independent Director of the Company, if appointed, in writing in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014, disclosure in Form DIR-8 pursuant to Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and has furnished necessary declarations to the Board of Directors that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The directorships held by him is within the limits as prescribed under the Act and Regulation 25 of the Listing Regulations. Mr. Nirmalya Bhattacharyya has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, Mr. Nirmalya Bhattacharyya fulfills the conditions specified in the Companies Act, 2013 read with rules made thereunder and the Listing Regulations for his appointment as an Independent Director of the Company. Brief resume of proposed appointee Director, nature of his expertise in specific functional areas and names of companies in which he holds Directorships and Memberships / Chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under

the Listing Regulations with the Stock Exchanges, have been provided as an Annexure to this Notice.

Mr. Nirmalya Bhattacharyya, aged 71 years, is a First Class Master Degree holder in Statistics having more than 50 years of rich experience in Banking, Finance, Accounts, Administration and Social services. He is an Administrator of MBIT sets of instruments. His association as Director would be beneficial to the Company.

Electronic copy of the draft letter of appointment of Mr. Nirmalya Bhattacharyya as an Independent Director of the Company setting out the terms and conditions of appointment shall be available in the Investor section of the website of the Company at [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com).

Further, Mr. Nirmalya Bhattacharyya is currently 71 years of age and during his tenure for a period of 5 years from 1st April, 2021 for a term upto 31st March, 2026, he will be attaining the age of 75 years. As per Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 notified on May 09, 2018, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 years unless a special resolution is passed to that effect.

Keeping in view, the vast expertise and knowledge, the Board considers that the continued association of Mr. Nirmalya Bhattacharyya would be of immense benefit to the Company even though he will cross the age of 75 years during his tenure of his directorship and it is desirable to avail services of Mr. Nirmalya Bhattacharyya, as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Nirmalya Bhattacharyya, as Independent Director, as a Special Resolution for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Nirmalya Bhattacharyya for his appointment, are concerned or interested, financially or otherwise, in Resolutions set out at item no. 5.

The Board recommends this Resolution for your approval.

**Item No. 6**

The Board of Directors, on the recommendation of Audit Committee, has approved at their meeting held on 9th June, 2021, the appointment of M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration number 000064) as the Cost Auditor of the Company to conduct the Cost Audit of the Company for the Financial Year 2021-22 at a remuneration of

₹ 55,000/- (Rupees Fifty Five Thousand only) plus applicable taxes and re-imburement of out of pocket expenses incurred in connection with cost audit, if any.

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

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

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Shareholders.

**Item No. 7**

Pursuant to Section 188 of the Companies Act, 2013 ('the Act'), read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules'), the Company is required to obtain consent of the Board of Directors and prior approval of the Members by way of ordinary resolution, in case certain transactions with related parties exceeds such sum as is specified in the Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm's length basis.

Pursuant to Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), approval of the Members through ordinary resolution is required for all related party transactions which are material, even if they are entered into in the ordinary course of business and on arm's length basis. For this purpose, a transaction is considered to be material, if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company.

All the Related Party Transactions entered into by the Company are at arm's length basis and in the ordinary course of business and approval of the Audit Committee / Board is obtained, wherever required. As the transaction(s) proposed to be entered into by the Company with Meghalaya Power Limited, may qualify to be a Material Related Party transaction under Listing Regulations, approval of the Members by way of ordinary resolution is being sought.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as below:

<b>Name of the Related Party</b>	Meghalaya Power Limited
<b>Nature of relationship</b>	Common Directors
<b>Name of the Director or KMP who is related, if any</b>	Mr. Sajjan Bhajanka and Mr. Pramod Kumar Shah may deemed to be related by virtue of being common Directors.
<b>Estimated Transaction Value</b>	₹ 20 crores for each Financial Year
<b>Nature, material terms and particulars of the contract or arrangement</b>	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
<b>Any other information</b>	NIL

Except Mr. Sajjan Bhajanka and Mr. Pramod Kumar Shah, Directors of the Company, none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval of the shareholders.

**Item No. 8**

Pursuant to Section 188 of the Companies Act, 2013 ('the Act'), read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules'), the Company is required to obtain consent of the Board of Directors and prior approval of the Members by way of ordinary resolution, in case certain transactions with related parties exceeds such sum as is specified in the Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm's length basis.

Pursuant to Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), approval of the Members through ordinary resolution is required for all related party transactions which are material, even if they are entered into in the ordinary course of business and on arm's length basis. For this purpose, a transaction is considered to be material, if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the

annual consolidated turnover of the Company, as per the last audited financial statements of the Company.

All the Related Party Transactions entered into by the Company are at arm's length basis and in the ordinary course of business and approval of the Audit Committee / Board is obtained, wherever required. As the transaction(s) proposed to be entered into by the Company with Star Cement Limited, Enterprise influenced by Key Managerial Personnel (KMP), may qualify to be a Material Related Party transaction under Listing Regulations, approval of the Members by way of ordinary resolution is being sought.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as below:

<b>Name of the Related Party</b>	Star Cement Limited
<b>Nature of relationship</b>	Mr. Sajjan Bhajanka, Director holds along with his relatives more than 2% shares in Star Cement Limited
<b>Name of the Director or KMP who is related, if any</b>	Mr. Sajjan Bhajanka, Mrs. Plistina Dkhar and Mr. Pramod Kumar Shah may deemed to be related by virtue of being common Directors.
<b>Estimated Transaction Value</b>	₹ 50 crores for each Financial Year
<b>Nature, material terms and particulars of the contract or arrangement</b>	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
<b>Any other information</b>	NIL

Except Mr. Sajjan Bhajanka, Mrs. Plistina Dkhar and Mr. Pramod Kumar Shah none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval of the shareholders.

#### Item No. 9

As required under the provisions of Section 94(1) the Companies Act, 2013, certain documents such as the Register of Members, Index of Members maintained under Section 92 of the Companies Act, 2013 and copies of Annual Returns together with copies of all certificates and documents required to be annexed or attached thereto, as filed under Section 92 of the Companies Act, 2013 and other

statutory registers are required to be kept at the Registered Office of the Company. However, as per Section 94(1) of the Companies Act, 2013, these documents may be kept at any other place within the city, town or village in which the registered office is situated or any other place in India in which more than one-tenth of the total members entered in the register of members reside, if approved by a Special Resolution passed at a General Meeting of the Company. Accordingly, the approval of the members is sought in for keeping the aforementioned registers and documents at Corporate Office "Century House, 2nd floor, P-15/1, Taratala Road, Kolkata-700 088" or any other place within the 'Kolkata' city, instead of and / or in addition to the said registers or copies of annual returns being kept and maintained at the Registered Office of the Company.

None of the Directors / Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution except to the extent of their shareholding in the Company.

The Board of Directors recommends the Special Resolution set out at Item No. 9 for your approval as a Special Resolution.

#### Item No. 10

Pursuant to Section 186 (2) of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 the Board of Directors are authorized to give loan, guarantee or provide security in connection with a loan to any other body corporate or person and/or to acquire by way of subscription, purchase or otherwise, the securities including shares, debentures, etc., of any other body corporate, up to an amount aggregate of which should not exceed 60% of the paid up share capital, free reserves and securities premium account or 100% of free reserves and securities premium account of the Company, whichever is higher. In case the Company exceeds the above mentioned limits then, prior approval of members by way of a Special Resolution is required to be obtained.

As a measure of achieving greater financial flexibility and to enable optimal financing structure and for expanding business horizon of the Company, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment, providing loans or give guarantee or provide security in connection with loans to any person or body corporate including subsidiary companies for an amount ₹ 100 crores only (Rupees One Hundred crores only) over and above the limits specified in 186(2) of the Companies Act, 2013. The investment(s), loan(s), guarantee(s) and security(ies), as the case may be, will be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made thereunder. These investments are proposed to be made out of own/surplus funds/internal accruals and or any

other sources, if necessary, to achieve long term strategic and business objectives.

Accordingly, the Board recommends the Resolution at Item No. 10 of the Notice for approval of the members by a Special Resolution

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 10 of the Notice.

**Item No.11**

As per Section 180 (1) (c) of the Companies Act, 2013, borrowings (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Company beyond the aggregate of the paid up capital of the company and its free reserve requires approval from the shareholders of the Company by means of special resolution.

With a view to meet the funds requirements of the Company for both short term as well as long term, the Company may require to borrow from time to time by way of loans and/or guarantees and/or issue of Bonds, Debentures or other securities. The directors of the Company, therefore, recommended the above special resolution for increasing borrowing limit to ₹ 100 crores (Rupees One Hundred Crores only) over and above the aggregate of the paid up share capital of the Company and its free reserves as per the latest audited accounts for approval of the shareholders.

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

Registered Office:  
Vill: Lumshnong, P.O.: Khaliehriat  
Dist.: East Jaintia Hills  
Meghalaya - 793210

Date: 13th August, 2021  
Place : Kolkata

The Board of Directors recommends the Special Resolution set out at Item No. 11 for your approval as a Special Resolution.

**Item No. 12**

The Company is required to create security for the said facilities as mentioned under Item No. 11 above in favour of the Lenders/ Trustees for the Non-Convertible Debentures and loans/ financial assistance availed by the Company, by way of creation of mortgage and/ or charge on the assets of the Company, as stated in the resolution.

In furtherance to the Resolution No. 11 of this notice, the said borrowings/ issue of securities may be required to be secured by way of mortgage/ charge over all or any part of the movable and/or immovable assets of the Company and as per provisions of Section 180 (1) (a) of the Companies Act 2013, the mortgage or charge on all or any part of the movable and/or immovable properties of the Company, may be deemed as the disposal of the whole, or substantially the whole, of the undertaking of the Company and hence, requires approval from the shareholders of the Company.

Accordingly, it is proposed to pass an enabling resolution authorizing the Board to create charge on the assets of the Company for a value not exceeding ₹ 150 crores (Rupees One Hundred Fifty Crores only).

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

The Board of Directors recommends the Special Resolution set out at Item No. 12 for your approval as a Special Resolution.

By Order of the Board  
For **Shyam Century Ferrous Limited**

**Neha Agarwal**  
Company Secretary

## ANNEXURE TO ITEM NO. 2, 4 & 5 OF THE NOTICE

Details of Director seeking appointment/ re-appointment/ any change in terms at the forthcoming Annual General Meeting  
[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Secretarial Standard on General Meeting]

<b>Name of the Director</b>	Mr. Sajjan Bhajanka	Mr. Rajesh Kumar Agarwal	Mr. Nirmalya Bhattacharyya
<b>DIN</b>	00246043	00223718	09037566
<b>Age (Years)</b>	69	51	71
<b>Nationality</b>	Indian	Indian	Indian
<b>Qualification</b>	Commerce Graduate	Commerce Graduate, Diploma Holder in Computer Science	B.Sc. in Maths Hons. and M.Sc. in Statistics
<b>Experience (years)</b>	42	30	50
<b>Expertise in special functional Area</b>	Industry, Leadership, Accounts & Finance, Production, Technical, Logistics, Legal, Sales, Marketing, Branding, Board procedures and Governance	Industry, Accounts & Finance and Audit & Internal Audit, Taxation, Risk, Board procedures and Governance	Administration, Banking, Personality Development, Human Behaviours
<b>Date of First Appointment on the Board of the Company</b>	12.04.2011	08.02.2021	01.04.2021
<b>Terms &amp; condition of re-appointment</b>	Director, liable to retire by rotation	Director, liable to retire by rotation	Director, not liable to retire by rotation
<b>Details of remuneration sought to be paid and remuneration last drawn (₹)</b>	None	None	None
<b>Shareholding in the Company [Equity share of face value ₹ 1/- each] (as at 31st March, 2021)</b>	1,12,34,493	31,80,985	Nil
<b>Relationship between the Directors inter se and other Key Managerial Person</b>	None	None	None
<b>No. of Board Meetings attended during the year</b>	4	Nil	Nil
<b>List of Directorship held in other Companies (excluding Foreign Company)</b>	<ol style="list-style-type: none"> <li>1. Association of Indian Panelboard Manufacturer</li> <li>2. Brijdham Merchants Pvt. Ltd.</li> <li>3. Century MDF Ltd.</li> <li>4. Century Panels Ltd.</li> <li>5. Century Plyboards (India) Limited</li> <li>6. Fine Infraprojects Pvt. Ltd.</li> <li>7. Makui Properties Pvt. Ltd.</li> <li>8. Meghalaya Power Ltd.</li> <li>9. Pacific Plywoods Pvt. Ltd.</li> <li>10. Star Cement Limited</li> <li>11. Shyam Century Multi Projects Pvt. Ltd.</li> <li>12. Sri Ram Merchants Pvt. Ltd.</li> <li>13. Sri Ram Vanijya Pvt. Ltd.</li> <li>14. Star Cement Meghalaya Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. Amul Boards Pvt. Ltd.</li> <li>2. Brijdham Merchants Pvt Ltd</li> <li>3. Century Infotech Ltd.</li> <li>4. Century Plyboards (India) Limited</li> <li>5. Century LED Ltd.</li> <li>6. Century Plantations Ltd.</li> <li>7. Esteem Angan Pvt. Ltd.</li> <li>8. Eureka Complex Pvt. Ltd.</li> <li>9. Hindusthan Club Ltd</li> <li>10. Megha Technical and Engineers Pvt. Ltd.</li> <li>11. NE Hills Hydro Ltd.</li> <li>12. Pacific Plywoods Pvt Ltd</li> <li>13. Preferred Cement Pvt. Ltd.</li> <li>14. Shyam Century Cement Industries Ltd.</li> <li>15. Shyam Century Metallic Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. Megha Technical and Engineers Pvt. Ltd.</li> <li>2. Star Cement Meghalaya Limited</li> </ol>



		16. Shyam Greenfield Developer Pvt. Ltd. 17. Good look Infracon Pvt. Ltd	
<b>Membership/ Chairmanships of Committees of Boards of other Companies. (only Audit Committee and Stakeholders' Relationship Committee have been considered )</b>	<p><b>Audit Committee:</b> Member: 1. Star Cement Limited 2. Star Cement Meghalaya Ltd. 3. Meghalaya Power Ltd.</p> <p><b>Stakeholders Relationship Committee:</b> Member: 1. Star Cement Limited</p>	<p><b>Audit Committee:</b> Member: 1. Century Plyboards (India) Limited</p> <p><b>Stakeholders Relationship Committee:</b> Member: 1. Century Plyboards (India) Limited</p>	<p><b>Audit Committee:</b> Chairman: 1. Star Cement Meghalaya Ltd.</p> <p>Member: 1. Megha Technical and Engineers Pvt. Ltd.</p>

# E-COMMUNICATION REGISTRATION FORM

(Only for members holding shares in physical form)

To,

**MAHESHWARI DATAMATICS PRIVATE LIMITED**

**UNIT: Shyam Century Ferrous Limited**

23, R N Mukherjee Road, 5th Floor,

Kolkata - 700 001.

Phone No. 033- 2243-5029/2248-2248

Email: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

Dear Sir / Madam,

I hereby register / update my email address provided below for receiving all communication from the Company through electronic mode:

Folio No. / DP ID & Client ID	
Name of the First Registered Holder	
Name of the Joint Holder(s), (if any)	
Registered Address	
Email ID (to be Registered)	
Signature of the First Registered Holder	
Date:	

Notes:

1. On registration/ updation, all the communications will be sent to the registered e-mail ID.
2. The form is also available on the website of the Company [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com) under the "Investors" section.
3. Members holding shares in electronic mode are requested to ensure to keep their e-mail ID updated with the Depository Participants with whom they are holding their Demat Account.
4. Members are requested to keep their depository participants / Company's Registrar- Maheshwari Datamatics Private Limited informed as and when there is any change in the e-mail ID. Unless, the email ID given hereunder is changed by you by sending another communication in writing, the Company will continue to send all the communication to you on the above mentioned email ID.
5. Members are requested to attach a self-attested scanned copy of PAN card, self-attested scanned copy of any document (such as /Aadhar card/latest Electricity Bill/latest Telephone/Mobile Bill/Driving License/Passport/Voter ID Card/Bank Passbook particulars) along with this form





## **SHYAM CENTURY FERROUS LIMITED**

CIN : L27310ML2011PLC008578

### **Regd. Office :**

Vill: Lumshnong, P.O. Khaliehriat  
Dist: East Jaintia Hills  
Meghalaya – 793210  
Phone : +91 3655 278215/16/18  
[www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com)

### **Works :**

EPIP, Rajabagan  
Dist : Ri-Bhoi, Byrnihat  
Meghalaya – 793101