



REGD. OFFICE & WORKS: Plot No. 2, G.I.D.C. Estate, Palej, Dist. Bharuch – 392 220, Gujarat, India.
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31st August, 2024

BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring,
Rotunda Building,
P.J. Towers, Dalal Street
Mumbai – 400001

Scrip Code: 500399

Sub: Annual Report for the Financial Year 2023-24

Dear Sir/Madam,

Pursuant to the provisions of Regulation 30 and Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we herewith submit the Annual Report of the Company for the Financial Year 2023-24 along with the Notice convening the 34 Annual General Meeting ("AGM") scheduled to be held on Monday, September 23, 2024 at 11.00 A.M. (IST) through Video Conferencing/ Other Audio Visual Means in accordance with relevant circulars issued by the Ministry of Corporate Affairs and Securities Exchange Board of India.

In compliance with the aforesaid circulars, the Annual Report along with the Notice of the AGM is being sent today, only by electronic mode to those shareholders whose e-mail address is registered with the Company/ Registrar and Transfer Agent of the Company /Depository Participants. The Annual Report along

Corporate Office:

4th Floor, Marble Arch, Race Course Circle, Vadodara – 390 007, Gujarat. Phone : 0265-2965381, M-9099001026

with the Notice of the AGM for the Financial Year 2023-24 is also available on the website of the Company at www.steelcogujarat.com

We request you to take the above information on record.

Thanking you,

Yours faithfully,

For Steelco Gujarat Limited

ANOOP KUMAR SAXENA

(DIN: 10311727)

Managing Director

**34th ANNUAL
REPORT
2023-24**



CONTENTS

Sr. no.	PARTICULARS	Page no.
1.	Notice to Members	2-35
2.	Board's Report	36-45
3.	Annexures	46-71
4.	Auditors' Report	72-87
5.	Standalone Financial Statements	88-134

Corporate Information

BOARD OF DIRECTORS

ANOOP KUMAR SAXENA	-	* Managing Director (w.e.f 15 th April, 2024)
ANSHOO RAJ KHARE	-	* Whole time Director (w.e.f 15 th April, 2024)
MUKTA JAIN	-	Non-Executive Director (w.e.f 25 th October, 2023)
ASHOKKUMAR NATWARLAL SHAH	-	Independent Director (w.e.f 15 th April, 2024)
SATISHKUMAR PANCHAL	-	Independent Director (w.e.f 15 th April, 2024)

* Initially appointed as a Non-Executive Director w.e.f 25th October, 2023.

KEY MANAGERIAL PERSONNEL

MAHENDRA PAREKH	-	Chief Financial officer (w.e.f 15 th April, 2024)
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STATUTORY AUDITORS

M/s. M Sahu & Co.
Chartered Accountants
521 K10 Grand Behind Atlantis K10,
Sarabhai Campus, Vadodara, Gujarat- 390023

SECRETARIAL AUDITORS

M/s. Devesh Pathak & Associates
Practising Company Secretaries
First Floor, 51, Udyog Nagar Soc.
Nr. Ayurvedic College
Outside Panigate, Vadodara-390019

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited
"Geetakunj", 1, Bhaktinagar Society
Behind ABS Tower, Old Padra Road,
Vadodara-390015

REGISTERED OFFICE

PLOT NO. 2 G.I.D.C. ESTATE,
PALEJ, DIST. BHARUCH,
GUJARAT, INDIA – 392220

CORPORATE OFFICE

4TH FLOOR, MARBLE ARCH,
RACE COURSE CIRCLE,
VADODARA, GUJARAT – 390007

Tel No. 91 2642 277 479/480/481
Website: www.steelcogujarart.com

NOTICE

Notice is hereby given that 34th Annual General Meeting of the Members of Steelco Gujarat Limited will be held on Monday, 23rd September, 2024 at 11:00 A.M. through Video conferencing (“VC”/ Other Audio-Visual Means (“OAVM”) facility at the deemed venue at the Registered Office of the Company at Plot No. 2, GIDC Estate, Palej – 392 220, Dist. Bharuch, Gujarat to transact the following business:

ORDINARY BUSINESS:

Item No. 1 – To consider, receive and adopt the Audited Financial Statements of the Company together with notes attached thereto for the financial year ended on 31st March, 2024 along with the reports of the Board of Directors and Auditors thereon.

Item No. 2 - To appoint M/s. M Sahu & Co., Chartered Accountants as Statutory Auditors of the Company.

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force], M/s. M Sahu & Co., Chartered Accountants (Firm registration number: 130001W), be and are hereby appointed as statutory auditors of the Company to hold office for a term of five years from the conclusion of this 34th Annual General Meeting till the conclusion of the 39th Annual General Meeting of the Company, on such remuneration as may be decided by any Director of the Company in consultation with M/s. M Sahu & Co., Chartered Accountants

RESOLVED FURTHER THAT any of the Directors and Key Managerial Personnel of the Company, be and are, hereby severally authorized to do all the acts and deeds necessary and expedient for the purpose including to sign and execute all such documents and papers as may be required for the purpose and file necessary e-form with Ministry of Corporate Affairs and intimation to the Stock Exchange.”

SPECIAL BUSINESS:

Item No. 3 - To approve appointment of M Sahu & Co., Chartered Accountants as Statutory Auditors in terms of Resolution Plan to hold office upto the conclusion of the next Annual General Meeting

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT approval, be and is hereby accorded to the appointment of M/s M. Sahu & Co., Chartered Accountants, (Firm Registration No. 130001W) in terms of paragraph 2(d) of Part A: Business plan (Page no. 9 of the Resolution Plan) and any other paragraph, applicable, if any, of the Resolution Plan approved by the Hon’ble National Company Law Tribunal, Ahmedabad Bench, Court No. II (Hon’ble NCLT) vide their order no. IA 763/(AHM)/2022 in CP(IB)/(AHM)/2020 pronounced on 31st July, 2023 ('the order') read with letter dated 5th April, 2024 by M/s. Next Orbit Growth Fund III, the Successful Resolution Applicant as well as pursuant to the Section 139, 140 and any other provisions, applicable, if any of the Companies Act, 2013 [including statutory modification(s) and re-enactment(s) thereof for the time being in force] as also any other applicable laws as the case may be, as Statutory Auditors of the Company with effect from 29th May, 2024 until the conclusion of next Annual General Meeting at a remuneration of Rupees two lakhs plus GST plus out of pocket expenses.

RESOLVED FURTHER THAT any of the Directors and any Key Managerial Personnel of the Company, be and are, hereby severally authorized to do all the acts and deeds necessary and expedient for the purpose including to sign and execute all such documents and papers as may be required for the purpose and file necessary e-form with Ministry of Corporate Affairs and intimation to the Stock Exchange.”

Item No. 4 - To approve appointment of Mr. Ashokkumar N. Shah (DIN: 06977676) as an Independent Director in terms of Resolution Plan

To consider and, if thought fit, to pass, the following resolution as Special Resolution:

“**RESOLVED THAT** approval, be and is hereby accorded to the appointment of Mr. Ashokkumar N. Shah (DIN: 06977676) in terms of paragraph 2(d) of Part A: Business plan (Page no. 9 of the Resolution Plan) and any other paragraph, applicable, if any, of the Resolution Plan approved by the Hon’ble National Company Law Tribunal, Ahmedabad Bench, Court No. II (Hon’ble NCLT) vide their order no. IA 763/(AHM)/2022 in CP(IB)/(AHM)/2020 pronounced on 31st July, 2023 (‘the order’) read with letter dated 5th April, 2024 by M/s Next Orbit Growth Fund III, Successful Resolution Applicant consenting to appoint Mr. Ashok Kumar Natwarlal Shah as an Independent Director as well as pursuant to the Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with Section 149(1), 150,152,161(1) and any other provisions applicable, if any, read with Schedule IV of the Companies Act,2013 [including statutory modification(s) and re-enactment(s) thereof for the time being in force] as also any other applicable laws as the case may be, to hold office upto the next Annual General Meeting as an Additional Director and upto two years as an Independent Director with effect from 15th April, 2024.

RESOLVED FURTHER THAT any of the Directors and any Key Managerial Personnel of the Company be and are hereby severally authorized to do all the acts and deeds necessary and expedient for the purpose including to sign and execute all such documents and papers as may be required for the purpose and file necessary e-form with Ministry of Corporate Affairs and intimation to the Stock Exchange.”

Item No. 5 - To approve appointment of Mr. Satish Kumar Panchal (DIN: 03106982) as an Independent Director in terms of Resolution Plan

To consider and, if thought fit, to pass, the following resolution as a Special Resolution:

“**RESOLVED THAT** approval, be and is, hereby accorded to the appointment of Mr. Satish Kumar Panchal, (DIN: 03106982) in terms of paragraph 2(d) of Part A: Business plan (Page no. 9 of the Resolution Plan) and any other paragraph, applicable, if any, of the Resolution Plan approved by the Hon’ble National Company Law Tribunal, Ahmedabad Bench, Court No. II (Hon’ble NCLT) vide their order no. IA 763/(AHM)/2022 in CP(IB)/(AHM)/2020 pronounced on 31st July, 2023 (‘the order’) read with letter dated 5th April, 2024 by M/s Next Orbit Growth Fund III, Successful Resolution Applicant consenting to appoint Mr. Satish Kumar Panchal as an Independent Director as well as pursuant to the Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with Section 149(1), 150, 152, 161(1) and any other provisions applicable, if any, read with Schedule IV of the Companies Act,2013 [including statutory modification(s) and re-enactment(s) thereof for the time being in force] as also any other applicable laws as the case may be, to hold office upto the next Annual General Meeting as an Additional Director and upto two years as an Independent Director with effect from 15th April, 2024.

RESOLVED FURTHER THAT any of the Directors and any Key Managerial Personnel of the Company be and are hereby severally authorized to do all the acts and deeds necessary and expedient for the purpose including to sign and execute all such documents and papers as may be required for the purpose and file necessary e-form with Ministry of Corporate Affairs and intimation to the Stock Exchange.”

Item No. 6 – To appoint Mr. Anoop Kumar Saxena as a retiring director of the Company

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** Mr. Anoop Kumar Saxena (DIN: 10311727) who was appointed as a Director on 25th October, 2023 in terms of order dated 31st July, 2023 of Hon’ble National Company Law Tribunal, Ahmedabad Bench, Court no. II (Hon’ble NCLT) read with Clause 2(a) of Part A (Business Plan) (Page no. 9) of the Resolution Plan by CA Nirav Anupam Tarkas, Resolution Professional vide his letter dated 9th October, 2023 read with letter dated 25th October, 2023 of Next Orbit Growth Fund III, the successful Resolution Applicant, Mr. Anoop Kumar Saxena [DIN: 10311727] be and is, hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT any Director or Key Managerial Person of the Company, be and is, hereby authorized to do all the acts, deeds and things necessary and expedient for the purpose including to file requisite e-form(s) with the Ministry of Corporate Affairs.”

Item No. 7 – To appoint Mr. Anshoo Raj Khare as a retiring director of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** Mr. Anshoo Raj Khare (DIN: 10311727) who was appointed as a Director on 25th October, 2023 in terms of order dated 31st July, 2023 of Hon’ble National Company Law Tribunal, Ahmedabad Bench, Court no. II (Hon’ble NCLT) read with Clause 2(a) of Part A (Business Plan) (Page no. 9) of the Resolution Plan by CA Nirav Anupam Tarkas, Resolution Professional vide his letter dated 9th October, 2023 read with letter dated 25th October, 2023 of Next Orbit Growth Fund III, the Successful Resolution Applicant, Mr. Anshoo Raj Khare [DIN: 10311752] be and is, hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT any Director or Key Managerial Person of the Company, be and is, hereby authorized to do all the acts, deeds and things necessary and expedient for the purpose including to file requisite e-form(s) with the Ministry of Corporate Affairs.”

Item No. 8 – To approve appointment of Mrs. Mukta Jain as a retiring director of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** Mrs. Mukta Jain (DIN: 10315222) who was appointed as a Director on 25th October, 2023 in terms of order dated 31st July, 2023 of Hon’ble National Company Law Tribunal, Ahmedabad Bench, Court no. II (Hon’ble NCLT) read with Clause 2(a) of Part A (Business Plan) (Page no. 9) of the Resolution Plan by CA Nirav Anupam Tarkas, Resolution Professional vide his letter dated 9th October, 2023 read with letter dated 25th October, 2023 of Next Orbit Growth Fund III, the Successful Resolution Applicant, Mrs. Mukta Jain [DIN: 10315222] be and is, hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT any Director or Key Managerial Person of the Company, be and is, hereby authorized to do all the acts, deeds and things necessary and expedient for the purpose including to file requisite e-form(s) with the Ministry of Corporate Affairs.”

Item No. 9 – To approve appointment of Mr. Anoop Kumar Saxena as a Managing Director of the Company

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT the approval, be and is hereby accorded to the appointment of Mr. Anoop Kumar Saxena ((DIN: 10311727) as a Managing Director of the Company for a term of three years w.e.f. 15th April, 2024 to 15th April, 2027 pursuant to Section 196, 197 and 203 read with Schedule V of the Companies Act 2013 (‘the Act’) at the remuneration and such other terms and conditions as set in the explanatory statement and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors at their respective meetings held on 15th April, 2024.

RESOLVED FURTHER THAT the Board of Directors will have liberty to alter and/or vary the terms and conditions of the remuneration which shall not exceed the limits specified in Schedule V of the Act including any statutory modification(s) or re-enactment(s) thereof for the time being in force, as may be agreed to between the Board and Mr. Anoop Kumar Saxena.

RESOLVED FURTHER THAT in case of no profit or inadequacy of profits in any financial year during the currency of his tenure, the remuneration as aforesaid will be paid as minimum remuneration.

RESOLVED FURTHER THAT any Director or Key Managerial Person of the Company, be and is, hereby authorized to do all the acts, deeds and things necessary and expedient for the purpose including to file requisite e-form(s) with the Ministry of Corporate Affairs.”

Item No. 10 - Appointment of Mr. Anshoo Raj Khare as a Whole time Director of the Company

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT the approval, be and is hereby accorded to the appointment of Mr. Anshoo Raj Khare (DIN: 10311727) as a Whole time Director of the Company for a term of three years w.e.f. 15th April, 2024 to 15th April, 2027 pursuant to Section 196, 197 and 203 read with Schedule V of the Companies Act 2013 (‘the Act’) at the remuneration and such other terms and conditions as set in the explanatory statement and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors at their respective meetings held on 15th April, 2024.

RESOLVED FURTHER THAT the Board of Directors will have liberty to alter and/or vary the terms and conditions of the remuneration which shall not exceed the limits specified in Schedule V of the Act including any statutory modification(s) or re-enactment(s) thereof for the time being in force, as may be agreed to between the Board and Mr. Anshoo Raj Khare.

RESOLVED FURTHER THAT in case of no profit or inadequacy of profits in any financial year during the currency of his tenure, the remuneration as aforesaid will be paid as minimum remuneration.

RESOLVED FURTHER THAT any Director or Key Managerial Person of the Company, be and is, hereby authorized to do all the acts, deeds and things necessary and expedient for the purpose including to file requisite e-form(s) with the Ministry of Corporate Affairs.”

Item No. 11 – To approve alteration of the Memorandum of Association of the Company

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of the Section 4, 13, 15 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules and Regulations framed there under [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] or any other applicable law(s), regulation(s), guideline(s) and subject to such permissions, consents, confirmations, approval of the appropriate regulatory and statutory authorities as may be required, consent of the members of the Company, be and is, hereby accorded to the alteration in the Memorandum of Association of the Company (‘MOA’) in accordance with Table A of Schedule I of the Companies Act, 2013, effecting the following modification(s) and amendments in the existing MOA as follows:-

- i. The words ‘the Companies Act, 1956’, in the existing MOA shall be substituted with the words ‘the Companies Act, 2013’, wherever required under the applicable provisions.
- ii. Part A of Clause III of MOA shall now be titled as (a) ‘THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:’
- iii. Part B of Clause III of MOA shall now be titled as (b) ‘MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III A ARE:’
- iv. Part C of Clause III of MOA viz. ‘Other Objects’ shall be deleted in line with the requirements of The Companies Act, 2013.

RESOLVED FURTHER THAT in the Memorandum of Association of the Company wherever, required, reference to various Sections of the Companies Act, 1956 be replaced with the reference to various corresponding sections of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is, hereby authorized to do all such acts, deeds or things as may be deemed necessary to give effect to this resolution.”

Item No. 12 – To approve adoption of a new set of Articles of Association of the Company

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 14, 15 and any other applicable provisions, if any, of the Companies Act, 2013 and any other rules framed there under and also subject to the approval of requisite authority (ies), if any, consent of the members be and is, hereby accorded to the adoption of new set of Articles of Association of the Company in accordance with Table F of Schedule I of the Companies Act, 2013 as well as practical implications and peculiarities of the Company;

RESOLVED FURTHER THAT any Director or Key Managerial Person of the Company, be and is, hereby authorized to do all such acts, deeds or things as may be deemed necessary to give effect to this resolution.”

Item No. 13 – To authorise the Board of Directors to borrow pursuant to Section 180(1)(c) of the Companies Act, 2013 upto Rs. 300 crores

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], consent of the Members be and is hereby given to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose or any persons authorised by the Board)

for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary bans obtained or to be obtained from the Company's bankers in the ordinary course of business) either from the Company's Bankers and/or any one or more persons, bodies corporate or Financial Institutions or from any other sources abroad whether secured or unsecured may exceed the aggregate of the then paid-up capital of the Company, its free reserves and securities premium, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 300,00,00,000/- (Rupees Three Hundred Crore) at any point of time.

“RESOLVED FURTHER THAT any Director or Key Managerial Person of the Company, be and is, hereby authorized to do all such acts and deeds necessary and expedient for the purpose”

“RESOLVED FURTHER THAT any Director or Key Managerial Person of the Company be and is hereby authorized to provide certified true copy of the aforesaid resolution wherever necessary.”

Item No. 14 – To authorise the Board of Directors to create/modify the charge on the assets of the Company by way of mortgage/hypothecation or otherwise dispose of pursuant to Section 180(1)(a) of the Companies Act, 2013

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 180(1)(a) and any other applicable provisions, if any, of the Companies Act, 2013('the Act') and the rules made there under [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], consent of the Members be and is hereby given to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee with the Board may constitute for this purpose or any person if authorized by the Board) to create/modify such Charge, Mortgages and Hypothecations in addition to the existing charges, mortgages and hypothecations created/modified by the Company, on such movable and immovable properties of the Company, both present and future, and in such form and manner and with such rankings as to priority and for such time and on such terms as the Board of Directors may determine in favour of any person/ entity including bank(s), financial institution(s), investing agency(ies), firm(s), body(ies) corporate, multilateral agency(ies), foreign institutional investor(s), foreign financial institution(s), mutual fund(s) and for from any other persons, entities or combination thereof (hereinafter referred as “lenders”) to secure the borrowings of the Company availed/ to be availed by way of cash credit, advance, deposits, loan, term loan, overdraft, packing-credit, letter of credit, release (issuance of delivery order, pre-shipment credit, post-shipment credit, payment undertaking, guarantee facility, bills purchase, bills discount, buyer's credit facility, debentures, external commercial borrowing, issuing foreign currency convertible bonds, or otherwise by whatever name called, together with interest at the respective agreed rates, additional Interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, all other cost, charges and expenses and all other moneys payable in terms of loan agreement(s) or any other document(s) entered into / to be entered into between the Company and the lenders in respect of such loan(s)/ borrowing(s).

RESOLVED FURTHER THAT any Director or Key Managerial Person of the Company be and is, hereby authorised to do all such acts, deeds, matters and things as it may, in its sole discretion, deem necessary, proper, desirable, expedient or incidental for the purpose including to sign and execute such document(s)/deed(s)/writing(s) or other papers as may be necessary and to settle any question, difficulty or doubt that may arise in giving effect to this resolution.”

RESOLVED FURTHER THAT any Director or Key Managerial Person of the Company be and is hereby authorised to provide certified true copy of the aforesaid resolution wherever necessary.”

Item No. 15 – To approve increase in Authorised Share Capital of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 61 and other provisions applicable provisions, if any of the Companies Act, 2013, the Authorized Share Capital of the Company, be and is, hereby increased from Rs. 5,00,00,000/- (Rupees Five Crores Only) divided into 50,00,000 (Fifty Lakhs) Equity shares of Rs. 10 (Rupees Ten only) each TO Rs. 50,00,00,000/- (Rupees Fifty Crores Only) divided into 4,00,00,000 (Four crore) Equity shares of Rs. 10/- (Rupees Ten Only) each and 1,00,00,000 (One crore) Preference shares of Rs. 10/- (Rupees Ten Only) each;

RESOLVED FURTHER THAT accordingly, approval, be and is, hereby accorded to the alteration by way of substitution, the existing capital Clause V of the Memorandum of Association, by new clause as follows:

V. The Authorised Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores Only) divided into 4,00,00,000 (Four crore) Equity shares of Rs. 10/- (Rupees Ten Only) each and 1,00,00,000 (One crore) Preference shares of Rs. 10/- (Rupees Ten Only) each.

RESOLVED FURTHER THAT any Director and Key Managerial Personnel of the Company, be and is, hereby authorized to do all such acts and deeds necessary and expedient for the purpose including to file requisite e-form(s) with the Ministry of Corporate Affairs.”

Item No. 16 – To authorise the Board to Directors to give loan, make investment, give guarantee and provide security upto Rs 300 pursuant to Section 186 of the Act.

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 186 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force and as may be enacted from time to time], approval of the shareholders, be and is, hereby sought authorising the Board of Directors for making investment(s) in excess of limits specified under section 186 of Companies Act, 2013 from time to time by way of subscription, purchase or otherwise the securities of anybody corporate or for giving loans, guarantees or providing securities in connection with loan to any body corporate or other person whether in India or outside India, as may be considered appropriate for an amount not exceeding Rs. 300/- (Rupees Three Hundred Crores only) from time to time, in one or more tranches, notwithstanding that such investment and acquisition together with the Company's existing investments in all other bodies corporate, loans and guarantees given and securities provided shall be in excess of the limits prescribed under section 186(3), 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 is hereby authorized to take from time to time all decisions and such steps as may be necessary for giving loans, guarantees or providing securities or for making such investments and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit; necessary or appropriate.”

NOTES:

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 ('the Act') relating to the items nos. 3 to 16 of the Special Business to be transacted at the 34th Annual General Meeting to be held on Monday, the 23rd September, 2024 ('the AGM') and the details as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Directors seeking appointment/re-appointment at the AGM are annexed hereto.
2. In continuation to the Ministry of Corporate Affairs ('MCA') General Circular No. 14/2020 dated 8th April, 2020, General Circular No. 03/2022 dated 5th May, 2022 and General Circular No. 11/2022 dated 28th December, 2022, the MCA has, vide its General Circular 09/2023 dated 25th September, 2023, read with SEBI circular dated 6th October, 2023, has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) till 30th September, 2024. In accordance with the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the AGM of the Company shall be held and conducted through VC / OAVM.
3. As the AGM shall be conducted through VC/OAVM, the facility for the appointment of Proxy by the Shareholders is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
4. Institutional/Corporate Shareholders are requested to send a scanned copy (PDF format) of the certified Board Resolution authorising its representatives to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting, pursuant to the provisions of Section 113 of the Companies Act, 2013 at **secretarial@steelcogujarat.com**.
5. The Register of Shareholders and Share Transfer Books of the Company will remain closed from Tuesday, 17th September, 2024 to Tuesday, 23rd September, 2024 (both days inclusive).
6. The documents referred to in the accompanying Notice of the AGM and the Explanatory Statement shall be available at the Registered Office of the Company for inspection without any fee on all working days except Saturday, during normal business hours (9.00 a.m. to 5.00 p.m. from Tuesday, 17th September, 2024 to Monday, 23rd September, 2024. During the AGM, the Register of Director and Key Managerial Personnel and their shareholding maintained under section 170 of the Act and the Register of Contracts or Arrangements in which Director are interested under section 189 of the Act will be available for inspection on the website of the Company www.steelcogujarat.com.

Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

- a) Visit URL: <https://eservices.nsd.com> and click on “Beneficial Owner” icon under “Login”.
- b) Enter user id and password. Post successful authentication, click on “Access to e-voting”.
- c) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User who have not registered for NSDL IDeAS facility:

- a) To register, visit URL: <https://eservices.nsd.com> and select “Register Online for IDeAS Portal” or click on <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp> “
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided with Login ID and password.
- d) After successful login, click on “Access to e-voting”.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

- a) Visit URL: <https://www.evoting.nsd.com/>
- b) Click on the “Login” tab available under ‘Shareholder/Member’ section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see “Access to e-voting”.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – If registered with CDSL Easi/Easiest facility

Users who have registered for CDSL Easi/Easiest facility.

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/home/login> or www.cdslindia.com.
- b) Click on New System Myeasi
- c) Login with user id and password
- d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users who have not registered for CDSL Easi/Easiest facility.

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

- a) Visit URL: <https://www.cdslindia.com/>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on “Submit”.
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, members shall navigate through “e-voting” tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- d) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: <https://instavote.linkintime.co.in>
2. Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders holding shares in **physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

Shareholders holding shares in **NSDL form, shall provide ‘D’ above*

Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

Click “confirm” (Your password is now generated).

3. Click on ‘Login’ under ‘SHARE HOLDER’ tab.
4. Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on ‘Submit’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).
4. After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

Guidelines for Institutional shareholders (“Corporate Body/ Custodian/Mutual Fund”):

STEP 1 – Registration

- a) Visit URL: <https://instavote.linkintime.co.in>

- b) Click on Sign up under “Corporate Body/ Custodian/Mutual Fund”
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr.No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person’s email ID.
- f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on “Investor Mapping” tab under the Menu Section
- c) Map the Investor with the following details:
 - a. ‘Investor ID’ -
 - i. *Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678*
 - ii. *Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.*
 - b. ‘Investor’s Name - Enter full name of the entity.
 - c. ‘Investor PAN’ - Enter your 10-digit PAN issued by Income Tax Department.
 - d. ‘Power of Attorney’ - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the “Report Section”.

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on ‘Votes Entry’ tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- d) Enter ‘16-digit Demat Account No.’ for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
- f) After selecting the desired option i.e., Favour / Against, click on ‘Submit’.
- g) A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) You will be able to see the notification for e-voting in inbox.
- c) Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.
- d) Download sample vote file from 'Download Sample Vote File' option.
- e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk 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 evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
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.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholder holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders (“Corporate Body/ Custodian/Mutual Fund”) has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on ‘Login’ under ‘Corporate Body/ Custodian/Mutual Fund’ tab and further Click ‘forgot password?’
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

InstaVote Support Desk

Link Intime India Private Limited

Process and manner for attending the General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on "Login".

▶ Select the "Company" and 'Event Date' and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

▶ Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.

3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet 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 facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

InstaMeet Support Desk
Link Intime India Private Limited

EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, sets out the material facts relating to the businesses stated above.

Item No. 3

To approve appointment of M Sahu & Co., Chartered Accountants as Statutory Auditors in terms of Resolution Plan to hold office upto the conclusion of the next Annual General Meeting

The Company has received consent letter and eligibility certificate from M/s. M Sahu & Co., Chartered Accountants to act as Statutory Auditor of the Company along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

In terms of paragraph 2(d) of Part A : Business Plan (page no. 9 of the Resolution Plan) and any other paragraph, applicable, if any of the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, Court no. II ('Hon'ble NCLT') vide their order no. IA 763/(AHM)/2022 in CP(IB)/(AHM)/2020 pronounced on 31st July, 2023 ('the order') read with letter dated 5th April, 2024 by M/s. Next Orbit Growth Fund II, the Successful Resolution Applicant, your Directors appointed M/s. M Sahu & Co., Chartered Accountants (Firm Registration No. 130001W) as Statutory Auditors to hold office upto the conclusion of the next Annual General Meeting pursuant to Section 139, 140 and any other applicable provisions, if any of the Companies Act, 2013 as also under any other laws as applicable.

Requisite Documents will be available for inspection at the registered office of the Company during the period 11:00 am to 1:00 pm on any working day except Saturdays and Sundays upto 23rd September, 2024, being the date of Annual General Meeting.

Strictly speaking, in terms of clause 10(x)(xi) (page no. 23 of the order) read with Clause VII(3) of Schedule 2 (page no. 41 of the Resolution Plan), approval of the shareholders/members would deemed to have been obtained for the Corporate Actions taken in terms of the Resolution plan/order.

However, by abundant precaution as well as good corporate governance practice, your Directors recommend and seek your approval to the resolution as set out in item no. 3 of the accompanying notice as an Ordinary Resolution.

Neither the Directors / Managers/Key Managerial Personnel of the Company nor their relatives are, in any way concerned or interested, financially or otherwise, in the resolution.

Item No. 4

To approve appointment of Mr. Ashokkumar N. Shah (DIN: 06977676) as an Independent Director in terms of Resolution Plan

Mr. Ashok N. Shah, aged about 70 years, completed his Graduation in Bachelor of Commerce and thereafter completed his Post Graduation Diploma in Tax Practice.

Mr. Ashok N. Shah has Rich Corporate experience of about 42 years mainly in the areas of Finance, Accounts, taxation, legal and commercial. He is -

1. Presently, Independent Director in Polymechplast Machines Limited, Vadodara – Since 29.09.2014 till date.

Chairman of Audit committee mainly reviewing Internal and Statutory Audit compliances, observations, guidance in relevant areas.

2. Presently, Finance Controller in Hi-Mak Pvt Ltd. – Since 2009 till date Heading Finance, Accounts, HR, legal and other departments of the company.
3. Was Executive Director – SS Automation Pvt Ltd. Bangalore – Since 2014 to 2018. Looking after observation, guidance, system development in Finance, Accounts and HR department.
4. Executive Director at Hemant Plastics and Chemicals Limited – Vadodara since 2015 to 2017 and 2018 till date, looking after overall finance, accounts and all other legal matter. Which is unoperational since last three years.
5. Was Senior Finance Manager with Enlightenment 99 Software Pvt Ltd. – Canada based International Recruitment Company from 2008 to 2011 looking after all Financial, Accounts and legal matter including international law and other matter.
6. Was Senior Finance and Account Manager at Polymechplast Machines Ltd.–from Nov. 1986 to May, 2008. Looking after all aspects for growing the company from Partnership to Public Limited Company.
7. Was Accounts Manager with Hagochi Chemicals Pvt Ltd. from June 1982 to October, 1987.

Mr. Ashok N. Shah has given his consent to act as director and is not disqualified from being appointed as a director in terms of Section 164 of the Companies Act, 2013 ('the Act') and are not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India ("SEBI") or any other authority. Details of Mr. Ashok N. Shah is provided in the "Annexure-A" to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR') and (ii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

Mr. Ashok N. Shah meets the criteria prescribed for independent directors under Section 149(6) of the Act as well as Regulation 16(1)(b) of the LODR and in the opinion of the Board, Mr. Ashok N. Shah is a person of integrity, possessing the relevant expertise and experience, fulfilling the conditions specified in the Act and the rules framed there under and under the Listing Regulations and are independent of the management of the Company.

In terms of paragraph 2(d) of Part A: Business Plan (page no. 9 of the Resolution Plan) and any other paragraph, applicable, if any of the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, Court no. II ('Hon'ble NCLT') vide their order no. IA 763/(AHM)/2022 in CP(IB)/(AHM)/2020 pronounced on 31st July, 2023 ('the order') read with letter dated 5th April, 2024 by M/s. Next Orbit Growth Fund II, Successful Resolution Applicant, consenting to appoint Mr. Ashokkumar N. Shah as an Independent Director, Your Director at their meeting held on 15th April, 2024 (as well as on 24th June, 2024) appointed Mr. Ashokkumar N. Shah (DIN: 06977676) as an Additional Director to hold office upto next Annual General Meeting as well as Independent Director upto two years with effect from 15th April, 2024.

Requisite Documents will be available for inspection at the registered office of the Company during the period 11:00 am to 1:00 pm on any working day except Saturdays and Sundays upto 23rd September, 2024, being the date of Annual General Meeting.

Strictly speaking, in terms of clause 10(x)(xi) (page no. 23 of the order) read with Clause VII(3) of Schedule 2 (page no. 41 of the Resolution Plan), approval of the shareholders/members would deemed to have been obtained for the Corporate Actions taken in terms of the Resolution plan/order.

However, by abundant precaution as well as good corporate governance practice, your Directors on recommendation of Nomination and Remuneration Committee, recommend and seek your approval to the resolution as set out in item no. 4 of the accompanying notice as a Special Resolution.

Notices as required under section 160 of the Act, have been received from a member of the Company proposing the candidature of Mr. Ashok N. Shah as Independent Director of the Company.

Except Mr. Ashokkumar N. Shah, neither any Directors / Key Managerial Personnel of the Company nor their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Item No. 5

To approve appointment of Mr. Satish Kumar Panchal (DIN: 03106982) as an Independent Director in terms of Resolution Plan

Mr. Satish Kumar Panchal, aged about 60 years, completed his Graduation in the field of Environmental Engineering from the reputed Engineering College of Gujarat- L.D. College of Engineering Ahmedabad-Gujarat State -India.

After obtaining the Degree in B.E.-Environmental Engineering, Mr. Satish Panchal joined reputed Environmental Consultancy firm at New Delhi and worked there about three and half years. During that period, he had worked for the TISCO- Tata Iron & Steel Company, Bhilai Steel Plant (SAIL- Steel Authorities of India Limited) as well as various Chemicals Plant across the North India for the overall Environmental Management issues.

After that Mr. Satish Panchal worked with largest Distillery, News Print & Paper, Soda ash as well as Petrochemicals plant in the Gujarat State from 1993 to 2010 in the different capacities and helped the organization to achieve the Statutory Norms for the Environmental, Health & Safety issues.

During 2005 Mr. Panchal joined with world Largest Refinery - KNPC - Kuwait National Petroleum Company at Kuwait as Environmental Engineer and worked there about a year for the overall Environmental Management of the Refinery.

During April 2010 Mr. Panchal joined with Effluent Channel Project Limited (Now: Vadodara Enviro Channel Limited) as CEO (Chief Executive Officer) and during April 2011, he was promoted as Managing Director of the Company by the Board of Directors.

After completion of 58 Years of age and extending the terms as Managing Director by the Board of Directors of Vadodara Enviro Channel Limited, Mr. Satish Panchal was superannuated during October 2022.

Backed by rich experience of over three decades, presently, he is an independent professional owning M/S Satsang Enviro Advisor engaged in rendering environmental consultancy/advisory.

Mr. Satish Kumar Panchal has given his consent to act as director and is not disqualified from being appointed as a director in terms of Section 164 of the Companies Act, 2013 ('the Act') and are not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India ("SEBI") or any other authority. Details of Satish Kumar Panchal is provided in the "Annexure-B" to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR') and (ii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

Mr. Satish Kumar Panchal meets the criteria prescribed for independent directors under Section 149(6) of the Act as well as Regulation 16(1)(b) of the LODR and in the opinion of the Board, Mr. Satish Kumar Panchal is a person of integrity, possessing the relevant expertise and experience, fulfilling the conditions specified in the Act and the rules framed there under and under the Listing Regulations and are independent of the management of the Company.

In terms of paragraph 2(d) of Part A: Business Plan (page no. 9 of the Resolution Plan) and any other paragraph, applicable, if any of the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, Court no. II ('Hon'ble NCLT') vide their order no. IA 763/(AHM)/2022 in CP(IB)/(AHM)/2020 pronounced on 31st July, 2023 ('the order') read with letter dated 5th April, 2024 by M/s. Next Orbit Growth Fund II, Successful Resolution Applicant, consenting to appoint Mr. Satish Kumar Panchal as an Independent Director, Your Director at their meeting held on 15th April, 2024 (as well as on 24th June, 2024) appointed Mr. Satish Kumar Panchal (DIN: 03106982) as an Additional Director to hold office upto next Annual General Meeting as well as Independent Director upto two years with effect from 15th April, 2024.

Strictly speaking, in terms of clause 10(x)(xi) (page no. 23 of the order) read with Clause VII(3) of Schedule 2 (page no. 41 of the Resolution Plan), approval of the shareholders/members would deemed to have been obtained for the Corporate Actions taken in terms of the Resolution plan/order. However, by abundant precaution as well as good corporate governance practice, your Directors on recommendation of Nomination and Remuneration Committee, recommend and seek your approval to the resolution as set out in item no. 4 of the accompanying notice as a Special Resolution.

Requisite Documents will be available for inspection at the registered office of the Company during the period 11:00 am to 1:00 pm on any working day except Saturdays and Sundays upto 23rd September, 2024, being the date of Annual General Meeting.

Notices as required under section 160 of the Act, have been received from a member of the Company proposing the candidature of Mr. Satish Kumar Panchal as Independent Director of the Company.

No Directors / Key Managerial Personnel or other relatives of the Company, except Mr. Satish Kumar Panchal shall be deemed to be interested or concerned financially or otherwise, shall be deemed to be interested or concerned in the resolution.

Item No. 6, 7 & 8

To appoint Mr. Anoop Kumar Saxena, Mr. Anshoo Raj Khare and Mrs. Mukta Jain as a retiring director of the Company

Mr. Anoop Kumar Saxena (DIN: 10311727), Mr. Anshoo Raj Khare (DIN: 10311752) and Mrs. Mukta Jain (DIN: 10315222) were appointed as Directors on 25th October, 2023 in terms of order dated 31st July, 2023 of Hon'ble National Company Law Tribunal, Ahmedabad Bench, Court no. II ('Hon'ble NCLT') read with Clause 2(a) of Part A (Business Plan) (page no. 9) of the Resolution Plan by CA Nirav Tarkas, Resolution Professional vide his letter dated 9th October, 2023, read with letter dated 25th October, 2023 of M/s. Next Orbit Growth Fund II, Successful Resolution Applicant liable to retire by rotation effective from 25th October, 2023.

Strictly speaking, in terms of clause 10(x)(xi) (page no. 23 of the order) read with Clause VII(3) of Schedule 2 (page no. 41 of the Resolution Plan), approval of the shareholders/members would deemed to have been obtained for the Corporate Actions taken in terms of the Resolution plan/order.

However, by abundant precaution as well as good corporate governance practice, your Directors on recommendation of Nomination and Remuneration Committee, recommend and seek your approval to the resolution as set out in item no. 4 of the accompanying notice as a Special Resolution.

Requisite Documents will be available for inspection at the registered office of the Company during the period 11:00 am to 1:00 pm on any working day except Saturdays and Sundays upto 23rd September, 2024, being the date of Annual General Meeting.

Their details in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard are available in Annexure – C.

Your directors recommend appointment of Mr. Anoop Kumar Saxena as Director liable to retire by rotation for whom requisite notice pursuant to section 160 of the Act has been received. Your approval is sought to the resolution as appearing in item no. 6 of the accompanying notice by way of ordinary resolution.

No Director/Key Managerial Personnel or their relatives except Mr. Anoop Kumar Saxena, Mr. Anshoo Raj Khare and Mrs. Mukta Jain shall be deemed to be interested or concerned financially or otherwise in their respective resolution.

Item No. 9 & 10

To approve the appointment of Mr. Anoop Kumar Saxena as a Managing Director and Mr. Anshoo Raj Khare as a Whole time Director of the Company

In terms of sections 196, 197, 203 and any other applicable provisions, if any read with Schedule V of the Companies Act, 2013 ('the Act'), the Board of Directors of the Company on recommendation of the Nomination & Remuneration Committee at its meeting held on 15th April, 2024 has, subject to approval of the Shareholders, appointed Mr. Anoop Kumar Saxena as Managing Director and Mr. Anshoo Raj Khare as a Whole time Director of the Company at a remuneration of Rs. 3,75,000/- p.m. and Rs. 1,50,000/ p.m. respectively and other major terms and conditions as follows:

The perquisites stated above shall be valued as per Income Tax Act, 1961, wherever applicable, and in the absence of any provisions in the said Act, the perquisites shall be valued at actual.

This may also be treated as a written memorandum serving out the terms of Mr. Anoop Kumar Saxena and Mr. Anshoo Raj Khare, pursuant to section 190 of the Companies Act, 2013 ('the Act').

During the term of employment of Mr. Anoop Kumar Saxena and Mr. Anshoo Raj Khare, if in any financial year, there is absence or inadequacy of profit as contemplated under the provisions of Schedule V of the Act, then the aforesaid remuneration shall be paid as minimum remuneration pursuant to Section 197 and Schedule V of the Act, [including any statutory modification(s) or re-enactment(s) thereof for the time being in force]. Taking into consideration the size of the Company and the present and future business developments and also the varied experience and expertise of Mr. Anoop Kumar Saxena and Mr. Anshoo Raj Khare in the field of Mechanical and performance driven Techno commercial profession and also the responsibilities shouldered by them in the Company, the aforesaid remuneration proposed to be paid to Mr. Anoop Kumar Saxena and Mr. Anshoo Raj Khare in the event of absence or inadequacy of profit of Company is considered commensurate and justifiable.

Since the aggregate remuneration to be paid to them by way of salary, allowances, perquisites and benefits would exceed the limit prescribed under Section I of Part II of Schedule V to the Act, the following additional information as provided in Section II of Part II of Schedule V to the Act and as

required by Rule 7 (2) & other applicable rules of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below:

1. General Information:

- i. Nature of Industry: The Company is directly engaged in the business of manufacturing and processing steel.
- ii. Date or expected date of Commencement of commercial production: The Company was incorporated on 9th January, 1989 as a Public Limited Company and had already commenced commercial production.
- iii. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
- iv. Financial performance based on given indicators - as per audited financial results for the year ended 31st March 2024.

Amt in Lakhs

Particulars	2023-24	2022-23
Effective Capital	(14,095.52)	(7040.41)
Paid-up Capital	496.60	7886.80
Reserves and Surplus	(3456.57)	(23247.58)
Total Income	363.78	943.66
Total Expenses	746.71	1689.37
Profit Before Tax	(382.93)	(745.71)
Profit After Tax	15785.35	(745.71)

- v. Foreign Investment of collaborations, if any: The Company has not entered into any foreign collaboration.

2. Information about the appointee:

Particulars	Mr. Anoop Kumar Saxena	Mr. Anshoo Raj Khare
Background details	Mr. Anoop Kumar Saxena is B. Tech Mechanical and performance driven Techno commercial Professional with over 3 decades of rich & extensive experience in impacting organizational profitability through effective strategic & tactical management decisions, business growth & strategy, new plant set up & peoples management. He has led productive cross-functional teams using interactive and motivational leadership that spurs people to willingly give excellent results. He has expertise in plant operations with key focus on top line & bottom-line profitability by monitoring optimal utilization of resources; while monitoring the overall	Mr. Anshoo Raj Khare aged about 55 years is B. Tech in Mechanical Engineering passed out from Pune University -India in 1992. He is self-made Technocrat with over 30 years of Industrial Experience in serving Indian as well as foreign Companies - mainly Steel Rolling Mills. He is exceptional leadership skills to effectively lead managers. Strong understanding of industry standards, business operations and regulatory requirements as well as Planning and organization skills to facilitate goal-setting. He has innovative mindset to create new, effective

	functioning of production processes, identifying improvement areas and implementing adequate measures to maximize customer satisfaction level and has strategized the long-term & short-term business directions to ensure maximum profitability in line with organizational objectives. He is a strategist & implementer with recognized proficiency in spearheading business to accomplish corporate plans and goals successfully.	solutions, analytical skills to interpret data & Mathematical and financial skills for budgeting responsibilities. He has worked in Big & Reputed Steel Mills like Bhushan Steel & Strips Ltd, Aarti Strips P Ltd, Maisha Mabati Mills Ltd etc. He is well conversant with SAP, ERP, OS etc. business software.
Past remuneration	No remuneration was drawn by Mr. Anoop Kumar Saxena in the past	No remuneration was drawn by Mr. Anshoo Raj Khare in the past
Recognition or awards	NA	NA
Job profile and his suitability	Mr. Anoop Kumar Saxena is B.Tech Mechanical and performance driven Techno commercial Professional with over 3 decades of rich & extensive experience	Mr. Anshoo Raj Khare is B.Tech in Mechanical Engineering passed out from Pune University -India in 1992. He is self-made Technocrat with over 30 years of Industrial Experience in serving Indian as well as foreign Companies - mainly Steel Rolling Mills.
Remuneration proposed	The proposed remuneration would comprise of monthly basic salary, allowances and all perquisites as mentioned in this resolution no 9 above	The proposed remuneration would comprise of monthly basic salary, allowances and all perquisites as mentioned in this resolution no 10 above
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration the size of the Company, the profile of Mr. Anoop Kumar Saxena, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level employees in other companies.	Taking into consideration the size of the Company, the profile of Mr. Anshoo Raj Khare, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level employees in other companies.
Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel	Mr. Anoop Kumar Saxena has no pecuniary relationship directly or indirectly with the company or any relationship with any managerial personnel of the Company	Mr. Anshoo Raj Khare has no pecuniary relationship directly or indirectly with the company or any relationship with any

		managerial personnel of the Company
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i. Other Information:

- a. The Company has been un-operational since November, 2019
- b. The Company was admitted to Corporate Insolvency Resolution Process (CIRP) vide order CP(IB) No. 342/NCLT/AHM/2020 dated 31.12.2020 by Hon'ble National Company Law Tribunal, Ahmedabad Bench, Court No. II (Hon'ble NCLT) and Mr. Nirav Anupam Tarkas, Chartered Accountant was appointed as Interim Resolution Professional (IRP). Subsequently, at the first CoC Meeting held on 10.02.2021, his appointment was confirmed as Resolution Professional (RP)
- c. During the CIRP period, powers of the Board stood suspended
- d. Hon'ble NCLT subsequently passed an order vide No. IA No. 763/AHM/2022 in CP(IB)/342/AHM/2020 dated 31st July, 2023 approving Resolution Plan submitted by M/s. Next Orbit Growth Fund III - the Resolution Applicant for Steelco Gujarat Limited ('the Company')
- e. The New Management (the Resolution Applicant) is in the process of implementation of the Resolution Plan. The Company has appointed two Independent Directors, Managing director, Whole time Director and Chief Financial Officer on 15th April, 2024

Item No. 11

To approve alteration of the Memorandum of Association of the Company

It is proposed to alter the Memorandum of Association (MOA) in accordance with Table A of Schedule I of the Companies Act, 2013 effecting following modifications in MOA of the Company as follows:

- i. The words 'Companies Act, 1956' in the existing MOA be substituted with the words 'the Companies Act, 2013' and wherever required in MOA of the Company, reference to various sections of the Companies Act, 1956 be replaced with the reference to the corresponding sections of the Companies Act, 2013.
- ii. The objects clause (Clause III of MOA) will now have only two parts viz
Part A: The objects to be pursued by the Company on its incorporation and
Part B: Matters which are necessary for furtherance of the objects specified in Part A.
- iii. The existing Part C ('Other Objects Clause') of Clause III of MOA would be deleted.
Proposed amended MOA will be available for inspection by the members at the registered office of the Company on all working days (except Saturdays and Sundays between 11.00 a.m. to 1.00 p.m. up to 23rd September, 2024 i.e. the date of the meeting.

In terms of provisions of Section 13, and other applicable provisions, if any of the Companies Act, 2013, your Directors recommend and seek your approval to the resolutions set out in item no. 11 of the accompanying notice by way of Special Resolution.

No Director/ Key Managerial Personnel or their relatives shall be deemed to be interested or concerned financially or otherwise in the aforesaid resolution.

Item No. 12

To approve adoption of a new set of the Articles of Association of the Company

The existing Articles of Association (“AOA”) of the Company is based on the Companies Act, 1956. With the coming into force most of the provisions of the Companies Act, 2013 several clauses of existing Articles of Association of the Company require alteration and / or deletion at some places. Moreover, mandatory provisions of the Companies Act, 2013 in any case would apply irrespective of the regulations of the Articles of Association.

In addition to above, the proposed amendment in AOA is intended to ensure that it reflects practical implications as well as peculiarities of your Company.

Hence, it would be expedient to amend Articles of Association by adoption of new set of Articles of Association of the Company in accordance with Table F of Schedule I of the Companies Act, 2013 as well as the practical implications and peculiarities of the Company.

Proposed amended AOA will be available for inspection by the members at the registered office of the Company on all working days (except Saturdays and Sundays between 11.00 a.m. to 1.00 p.m. up to 23rd September, 2024 i.e. the date of the meeting).

Your Directors recommend and seek your approval to the Resolution as appearing in Item No. 12 of the accompanying Notice by way of Special Resolution.

No Director/ Key Managerial Personnel or their relatives shall be deemed to be interested or concerned financially or otherwise in the aforesaid resolution.

Item No. 13

To authorise the Board of Directors to borrow pursuant to Section 180(1)(c) of the Companies Act, 2013 upto Rs. 300 crores

Section 180(1)(c) of the Companies Act 2013 requires that the Board of Directors shall not borrow money in excess of the company’s paid up share capital and free reserves, apart from temporary loans obtained from the company’s bankers in the ordinary course of business, except with the prior consent of the members of the company by way of special resolution passed at the General Meeting.

In anticipation of the need for additional funds, if any required, in future, for the purpose of activities of the Company, the Board accordingly recommends to set up a limit of Rs. 300,00,00,000 (Rupees Three Hundred Crore only) under 180(1)(c) of the Companies Act, 2013 as set out in the Resolution for approval of the Members. Accordingly, the Board recommends and seeks your approval to the Resolution as set out in item No. 13 of the accompanying notice by way of Special Resolution.

No Director/ Key Managerial Personnel or their relatives shall be deemed to be interested or concerned financially or otherwise in the aforesaid resolution.

Item No. 14

To authorise the Board of Directors to create/modify the charge on the assets of the Company by way of mortgage/hypothecation or otherwise dispose of pursuant to Section 180(1)(a) of the Companies Act, 2013

As per the provisions of section 180(1)(a) of the Companies Act, 2013 (‘the Act’), a company shall not lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company

or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings, unless approval of the shareholders is obtained by way of a special resolution.

In connection with the loan / credit facilities to be availed by the company, as and when required, through various sources for business purposes, the Company might be required to create charges over its assets, properties and licenses by way of hypothecation, mortgage, lien, pledge etc. in favour of its lenders for the purposes of securing the loan/credit facilities extended by them to the company.

Accordingly, Your Directors recommend and seek your approval to the resolution as set out in Item No. 14 of the accompanying Notice by way of Special Resolution.

No Director/ Key Managerial Personnel or their relatives shall be deemed to be interested or concerned financially or otherwise in the aforesaid resolution.

Item No. 15: To approve increase in Authorised Share Capital of the Company

As you are aware in terms of Clause VIII () of Schedule 2 (page no. 41) of the Resolution Plan, Authorized Capital of the Company reduced from Rs. 150 crores to Rs. 5 crores.

It is proposed to increase Authorized Capital from Rs. 5 crores to Rs. 50 crores divided into 4,00,00,000 (Four crore) Equity shares and 1,00,00,000 (One crore) Preference shares of Rs. 10/- (Rupees Ten Only) each to meet its financial requirements partially.

Accordingly, it is proposed to substitute existing Clause V of the Memorandum of Association by new clause as follows:

“V. The Authorised Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores Only) divided into 4,00,00,000 (Four crore) Equity shares of Rs. 10/- (Rupees Ten Only) each and 1,00,00,000 (One crore) Preference shares of Rs. 10/- (Rupees Ten Only) each.”

Your Directors recommend and seek your approval to the resolution as set out in Item No. 15 of the accompanying Notice by way of Ordinary Resolution.

Draft Memorandum of Association will be available for inspection at the registered office of the Company during the period on all working days 11.00 a.m. to 1.00 p.m. up to 23rd September, 2024, being the date of the meeting.

No Director/ Key Managerial Personnel or their relatives shall be deemed to be interested or concerned financially or otherwise in the resolution.

Item No. 16 – To authorise the Board to Directors to give loan, make investment, give guarantee and provide security upto Rs 300 crores pursuant to Section 186 of the Companies Act, 2013

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other bodies corporate as and when required.

Members may note that pursuant to the provisions of Section 186 of the Companies Act, 2013 (“Act”), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves

and securities premium account, whichever is more, with the approval of Members by Special Resolution passed at the General Meeting.

In view of the above, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of Rs. 300 Crores, as proposed in the Notice. The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No. 16 for approval by the Members of the Company as Special Resolution.

None of the Directors or KMP or their relatives are in any way concerned with or interested, financially or otherwise in the said resolution except to the extent of their shareholding in the Company, if any.

Annexure – A

Appointment of Mr. Ashokkumar Natwarlal Shah as an Independent Director

Sr. No.	Details of events that need to be provided	Relevant Particulars
1.	Reason for change viz. appointment, resignation, removal, death or otherwise	Appointment as an Independent Director
2.	Date of appointment/cessation (as applicable)	Appointment is with effect from 15 th April, 2024
3.	Term of appointment	One Year
4.	Brief profile (in case of appointment)	Please refer below
5.	Disclosure of relationships between directors (in case of appointment of a director)	Mr. Ashok kumar Natwarlal Shah is not related to any Director and is not debarred from holding the office of director by virtue of any order passed by the Securities and Exchange Board of India ("SEBI") or any other authority.

Brief Profile of Mr. Ashokkumar Natwarlal Shah

Mr. Ashok kumar Natwarlal Shah, aged about 70 years, completed his Graduation in Bachelor of Commerce and thereafter completed his Post Graduation Diploma in Tax Practice.

Mr. Ashok kumar Natwarlal Shah has Rich Corporate experience of about 42 years mainly in the areas of Finance, Accounts, taxation, legal and commercial.

Presently, Independent Director in Polymechplast Machines Limited, Vadodara – Since 29.09.2014 till date.

Chairman of Audit committee mainly reviewing Internal and Statutory Audit compliances, observations, guidance in relevant areas.

Presently, Finance Controller in Hi-Mak Pvt Ltd.

Since 2009 till date

Heading Finance, Accounts, HR, legal and other departments of the company.

Was Executive Director – SS Automation Pvt Ltd. Bangalore –

Since 2014 to 2018.

Looking after observation, guidance, system development in Finance, Accounts and HR department.

Executive Director at Hemant Plastics and Chemicals Limited – Vadodara since 2015 to 2017 and 2018 till date, looking after overall finance, accounts and all other legal matter Which is unoperational since last three years.

Was Senior Finance Manager with Enlightenment 99 Software Pvt Ltd. – Canada based International Recruitment Company from 2008 to 2011 looking after all Financial, Accounts and legal matter including international law and other matter.

Was Senior Finance and Account Manager at Polymechplast Machines Ltd.–from Nov. 1986 to May 2008. Looking after all aspects for growing the company from Partnership to Public Limited Company.

Was Accounts Manager with Hagochi Chemicals Pvt Ltd. from June 1982 to Oct. 1987.

Annexure – B

Appointment of Mr. Satish Panchal as an Independent Director

Sr. No.	Details of events that need to be provided	Relevant Particulars
1.	Reason for change viz. appointment, resignation, removal, death or otherwise	Appointment as an Independent Director
2.	Date of appointment/ cessation (as applicable)	Appointment is with effect from 15 th April, 2024
3.	Term of appointment	One Year
4.	Brief profile (in case of appointment)	Please refer below
5.	Disclosure of relationships between directors (in case of appointment of a director)	Mr. Satish Kumar Panchal is not related to any Director and is not debarred from holding the office of director by virtue of any order passed by the Securities and Exchange Board of India ("SEBI") or any other authority.

Brief Profile of Mr. Satish Kumar Panchal

Mr. Satish Kumar Panchal, aged about 60 years, completed his Graduation in the field of Environmental Engineering from the reputed Engineering College of Gujarat- L.D. College of Engineering Ahmedabad- Gujarat State -India.

After obtaining the Degree in B.E.-Environmental Engineering, Mr. Satish Panchal joined reputed Environmental Consultancy firm at New Delhi and worked there about three and half years. During that period, he had worked for the TISCO- Tata Iron & Steel Company, Bhilai Steel Plant (SAIL- Steel Authorities of India Limited) as well as various Chemical plants across the North India for the overall Environmental Management issues.

After that Mr. Satish Panchal worked with largest Distillery, News Print & Paper, Soda ash as well as Petrochemicals plant in the Gujarat State from 1993 to 2010 in the different capacities and helped the organization to achieve the Statutory Norms for the Environmental, Health & Safety issues.

During 2005 Mr. Panchal joined with world Largest Refinery - KNPC - Kuwait National Petroleum Company at Kuwait as Environmental Engineer and worked there about a year for the overall Environmental Management of the Refinery.

During April 2010 Mr. Panchal joined with Effluent Channel Project Limited (Now: Vadodara Enviro Channel Limited) as CEO (Chief Executive Officer) and during April 2011, he was promoted as Managing Director of the Company by the Board of Directors.

After completion of 58 Years of age and extending the terms as Managing Director by the Board of Directors of Vadodara Enviro Channel Limited, Mr. Satish Panchal was superannuated during October 2022.

Backed by rich experience of over three decades, presently, he is an independent professional owning M/S Satsang Enviro Advisor engaged in rendering environmental consultancy/advisory.

Annexure- C

1. Appointment of Mr. Anoop Kumar Saxena as a Retiring Director

Sr No.	Details of events that need to be provided	Relevant Particulars
1.	Reason for change viz. appointment, resignation, removal, death or otherwise	Reappointment
2.	Date of appointment/ cessation (as applicable)	Reappointment as Retiring Director
3.	Term of appointment	3 years
4.	Brief profile (in case of appointment)	Please refer below
5.	Disclosure of relationships between directors (in case of appointment of a director)	Mr. Anoop Kumar Saxena is not related to any Director and is not debarred from holding the office of director by virtue of any order passed by the Securities and Exchange Board of India ("SEBI") or any other authority.

Brief Profile of Mr. Anoop Kumar Saxena

Mr. Anoop kumar Saxena aged about 57 years is B.Tech Mechanical and performance driven Techno commercial Professional with over 3 decades of rich & extensive experience in impacting organizational profitability through effective strategic & tactical management decisions , business growth & strategy , new plant set up & peoples management. He has led productive cross-functional teams using interactive and motivational leadership that spurs people to willingly give excellent results. He has expertise in plant operations with key focus on top line & bottom-line profitability by monitoring optimal utilization of resources; while monitoring the overall functioning of production processes, identifying improvement areas and implementing adequate measures to maximize customer satisfaction level and has strategized the long-term & short-term business directions to ensure maximum profitability in line with organizational objectives. He is a strategist & implementer with recognized proficiency in spearheading business to accomplish corporate plans and goals successfully.

2. Appointment of Mr. Anshoo Raj Khare as a Retiring Director

Sr No.	Details of events that need to be provided	Relevant Particulars
1.	Reason for change viz. appointment, resignation, removal, death or	Reappointment

	otherwise	
2.	Date of appointment/ cessation (as applicable)	Reappointment as Retiring Director
3.	Term of appointment	3 years
4.	Brief profile (in case of appointment)	Please refer below
5.	Disclosure of relationships between directors (in case of appointment of a director)	Mr. Anshoo Raj Kahre is not related to any Director and is not debarred from holding the office of director by virtue of any order passed by the Securities and Exchange Board of India ("SEBI") or any other authority.

Brief profile of Mr. Anshoo Raj Khare

Mr. Anshoo Raj Khare aged about 55 years is B.Tech in Mechanical Engineering passed out from Pune University -India in 1992. He is self made Technocrate with over 30 years of Industrial Experience in serving Indian as well as foreign Companies - mainly Steel Rolling Mills. He is exceptional leadership skills to effectively lead managers. Strong understanding of industry standards, business operations and regulatory requirements as well as Planning and organization skills to facilitate goal-setting. He has innovative mindset to create new, effective solutions , analytical skills to interpret data & Mathematical and financial skills for budgeting responsibilities. He has worked in Big & Reputed Steel Mills like Bhushan Steel & Strips Ltd , Aarti Strips P Ltd , Maisha Mabati Mills Ltd etc . He is well conversant with SAP , ERP , OS etc Business software.

3. Reappointment of Mrs. Mukta Jain as a Retiring Director

Sr No.	Details of events that need to be provided	Relevant Particulars
1.	Reason for change viz. appointment, resignation, removal, death or otherwise	Reappointment
2.	Date of appointment/ cessation (as applicable)	Reappointment as Retiring Director
3.	Term of appointment	3 years
4.	Brief profile (in case of appointment)	Please refer below
5.	Disclosure of relationships between directors (in case of appointment of a director)	Mrs. Mukta Jain is not related to nay Director and is not debarred from holding the office of director by virtue of any order passed by the Securities and Exchange Board of India ("SEBI") or any other authority.

Brief Profile of Mrs. Mukta Jain

Mrs. Mukta Jain aged about 50 years is a Graduate of Arts having a rich and extensive professional experience of over 2 decades in business development and strategic management decision. With innovative mind and core management skills as well as expertise, she has been instrumental in leading the business to success.

To
The Members,

Your Directors have pleasure to present the 34th Annual Report of your Company together with the Audited Financial Statements for the year ended 31st March, 2024.

1. The State of the Company's affairs:

i. THE FINANCIAL SUMMARY/ HIGHLIGHTS

Particulars	Current Year Ended 31.03.24 (in lakhs)	Previous Year Ended 31.03.23 (in lakhs)
Revenue from Operations	30.82	-
Other Income	332.96	943.66
Total Income	363.78	943.66
Profit / (Loss) before Depreciation & Tax	(145.63)	(489.04)
(Less) : Depreciation	(237.30)	(256.67)
Profit / (Loss) before exceptional item & tax	(382.93)	(745.71)
Add: Exceptional item	16,168.28	-
Net profit / (loss) before tax	15785.35	(745.71)
(Less) : Tax	0.00	0.00
Net profit / (loss) after tax	15785.35	(745.71)
Add/(Less) : Items that will not be reclassified to profit / (loss) (net of tax)	-	22.58
Total Other Comprehensive Income / (Loss) (net of tax)	15785.35	(723.13)
(Less): Carried Forward Losses (restated as per Note no. 42 of the financial statement)	(38590.04)	(37866.91)
Less: Change during the year after Hon'ble NCLT Order	(1.02)	-
Balance carried to Balance Sheet (restated as per note no. 42 of the Financial Statement)	(22805.70)	(38590.04)

Profits on exceptional items is mainly attributable to the reliefs granted to the Company under the Resolution Plan approved by Hon'ble National Company Law Tribunal, Ahmedabad Bench, (Court no. II) ('Hon'ble NCLT') vide their order no. IA No./763/(AHM)/2022 in CP(IB)/342/(AHM) 2020 dated 31st July, 2023.

ii. APPROVAL TO RESOLUTION PLAN BY HON'BLE NCLT

Hon'ble National Company Law Tribunal Ahmedabad Bench, (Court No. II) ('Hon'ble NCLT') vide their order no. IA No./763/(AHM)/2022 in CP(IB)/342/(AHM) 2020 pronounced on 31st July, 2023 ('the order') approved the Resolution Plan submitted by M/s Next Orbit Growth Fund III the successful Resolution Applicant ('NOGF'). Highlights of the same are as follows:

a. Option of Delisting:

The Company shall stand delisted if chosen by the Resolution Applicant ('NOGF') as well as the Capital Reduction shall become effective. **However, your Directors have opted for continuation of Listing.**

b. Extinguishment of Share Capital:

Entire Equity and Preference share capital shall stand extinguished on subscription of the Equity Shares by the Resolution Applicant ('NOGF') and its affiliates/Nominees/SPVs. However, keeping in view prevailing SEBI Regulations in the light of continued listing public shareholding is partially reduced. Details of Restructuring of Share Capital is elaborated in the Paragraph no. 3 (Change in share capital)

c. Reduction in Authorised Capital

Authorised capital clause of Memorandum of Association stands altered relating to reduction in Authorised Capital from Rs. 150 crores to Rs. 5 crores.

d. Authority to the Resolution Applicant ('NOGF') to reconstitute the Board and appoint other personnel

The Resolution Applicant ('NOGF') is authorised to reconstitute the Board, including Independent Directors to appoint various personnel like Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Auditors, etc.

e. Deemed approval of Shareholders/members

All the approvals of Shareholders/members of the Corporate Debtor ('the Company') shall be deemed to have been obtained. Accordingly, Restructuring of Capital as per Resolution Plan shall also be binding on them.

f. Payment to the Creditors and employees by the Resolution Applicant as per Resolution Plan

The Resolution Applicant ('NOGF') already infused the fund of Rs. 86.15 crores and payment was also accordingly made to the Creditors & employees in terms of the order.

iii. EARLIER UNDER CORPORATE INSOLVENCY PROCESS (CIRP) DURING THE YEAR

- a) As you may be aware, the Company has been un-operational since November, 2019. Then the Company was admitted to Corporate Insolvency Resolution Process (CIRP) vide order CP(IB) No. 342/NCLT/AHM/2020 dated 31.12.2020 by Hon'ble National Company Law Tribunal, Ahmedabad Bench, (Court No. II) ('Hon'ble NCLT') and Mr. Nirav Anupam Tarkas, Chartered Accountant was appointed as Interim Resolution Professional (IRP). Subsequently, at the first CoC Meeting held on 10.02.2021, his appointment was confirmed as Resolution Professional (RP).

The Board has taken on record its appreciation for valuable contributions made by him for steering the company especially during CIRP period.

2. CHANGE IN THE NATURE OF BUSINESS

There was no material change in the nature of business of the Company during the year.

3. CHANGE IN SHARE CAPITAL

In terms of the Resolution Plan approved by the Hon'ble NCLT vide their order dated 31st July, 2023 Restructuring of the Equity and Preference share capital effective from 31st March, 2024 was implemented as follows:

- i. Allotment of 47,00,000 Equity shares of Rs. 10/-each aggregating to Rs. 4,70,00,000 to the Resolution Applicant/SPV with effect from 31st March, 2024 out of the funds already infused pursuant to Clause 3(xv)(4) (page 17 of the order read with Clause 3(d) relating to Equity infusion of Part A (Business Plan) (Page no. 11 of the Resolution Plan), paragraph 1.2.9 of Part B (Financial Proposal) (page no. 25 of the Resolution Plan) read with Clause VI(5)(a) of Schedule 2 (Page no. 40 of the Resolution Plan) of the Resolution Plan.
- ii. Total reduction of
 - 3,19,21,366 Equity Shares of Rs. 10/-each aggregating to Rs. 31,92,13,660
 - 3,28,20,000 12.5% Cumulative Redeemable Non-Convertible Preference Shares of Rs.10/- each aggregating to Rs. 32,82,00,000
 - 34,86,200 7% Cumulative Redeemable Non-Convertible Preference Shares of Rs.10/- each aggregating to Rs. 3,48,62,000 held by M/s. Spica Investment Ltd; Promoter wef 31st March, 2024 pursuant to Clause 3(xv)(3) (page no. 16 of the order), Clause 6 (page no. 19 of the order read with Clause 3(e) relating to Capital Reduction of Part A (Business Plan) (Page no. 11 of the Resolution Plan), paragraph 1.2.8(d) of Part B (Financial Proposal) (page no. 24 of the Resolution Plan) and Para VII of Schedule – 2 (page no. 41 of the Resolution Plan) of the Resolution Plan.
- iii. Partial reduction of 1,06,40,456 Equity Shares of Rs. 10/-each aggregating to Rs. 10,64,04,560 held by public into 2,66,012 Equity Shares of Rs. 10/-each aggregating to Rs. 26,60,120 in the ratio of 2.5 Equity Shares of Rs. 10/-each for every 100 Equity shares of Rs. 10/- each held by every public shareholder with effect from 31st March, 2024 in terms of SEBI Regulations and pursuant to Clause 3(xv)(3) (page no. 16 of the order), Clause 6 (page no. 19 of the order read with Clause 3(e) relating to Capital Reduction of Part A (Business Plan) (Page no. 11 of the Resolution Plan), paragraph 1.2.8(d) of Part B (Financial Proposal) (page no. 24 of the Resolution Plan) and Para VII of Schedule – 2 (page no. 41 of the Resolution Plan) of the Resolution Plan
- iv. Alteration in the Capital Clause of Memorandum of Association relating to Reduction in Authorised Capital from Rs. 150 crores to Rs. 5 crores pursuant to Clause No. VIII of Schedule 2 (page no. 41 of the Resolution Plan) of the Resolution Plan
- v. Approval of the shareholders/members would be deemed to have been obtained and the provisions made in the resolution plan as regards the restructuring of capital shall be binding on them.

4. AMOUNT TRANSFERRED TO RESERVES:

In view of carried forward losses, your Directors do not recommend to transfer any amount to the reserves.

5. DIVIDEND

Your Directors do not recommend any dividend on the equity shares of the Company in view of carried forward losses.

6. DEPOSITS

Your Company has neither accepted nor renewed any deposits within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

7. LOANS, GUARANTEES OR INVESTMENTS

The Company has neither made any investment nor loan nor given any guarantees nor provided any securities covered under the provisions of Section 186 of the Companies Act, 2013 ('the Act') during the year under review.

8. INFORMATION ABOUT SUBSIDIARY COMPANY / JOINT VENTURE / ASSOCIATE COMPANY

Neither the Company has any Subsidiary, Joint Venture or Associate Company nor has any other Company become or ceased to be Subsidiary / Joint Venture / Associate Company. However, the Company ceased to be subsidiary of M/s Spica Investments Ltd in view of extinguishment of its shares in the Company wef 31st March, 2024.

9. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Earlier, during the CIRP, the Company was being managed by CA Mr. Nirav Anupam Tarkas Resolution Professional and the powers of the Board stood suspended.

After pronouncement of the order on 31st July, 2023 by Hon'ble NCLT, reconstitution of the Board of Directors of the Company in terms of Resolution Plan was as follows:

- i. Appointment of Mr. Anoop Kumar Saxena (DIN: 10311727), Mr. Anshoo Raj Khare (DIN: 10311752) and Ms. Mukta Jain (DIN: 10315222) as Directors on 25th October, 2023.
- ii. Cessation of Praful Chandaria (DIN: 02516129), Ms. Amita Trehan (DIN: 00087510) and Mr. Ajay Prapray Shanghavi (DIN: 00084653) on 20th December, 2023.
- iii. Appointment of Mr. Ashokkumar N. Shah (DIN: 06977676) and Mr. Satish Kumar Panchal as Additional Directors to hold office upto next Annual General Meeting and as Independent Director w.e.f. 15th April, 2024.
- iv. Appointment of CA Mr. Mahendra Parekh as a Chief Financial Officer w.e.f. 15th April, 2024.
- v. Appointment of Mr. Anoop Kumar Saxena as Managing Director and Mr. Anshoo Raj Khare as Whole time Director w.e.f. 15th April, 2024.

- vi. Appointment of CS Ms. Sejal Rana as a Company Secretary as Compliance officer from the date of her joining.

10. TRANSFER OF AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed amount, required to be transferred to Investor Education & Protection Fund (IEPF) during the year under review, no amount was transferred to IEPF.

11. MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company have occurred between the end of financial year to which this financial statement relates and the date of this report and hence not reported.

12. BOARD EVALUATION

Pursuant to the Act and LODR as may be applicable, a structured questionnaire was prepared after taking into consideration of the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations, governance, etc. In the course of implementation of Resolution Plan, Independent Directors were inducted on 15th April, 2024 and hence no separate meeting of independent directors was held.

13. NUMBER OF MEETINGS OF THE BOARD/COMMITTEES/MEMBERS

No Board Meeting or Committee Meeting or General Meeting was conducted during the CIRP period. However, thereafter two Board Meetings were held during the year under review.

14. WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company has a Whistle Blower Policy pursuant to Section 177 of the Companies Act, 2013 and the rules made there under and Regulation 22 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, to report genuine concerns of Directors and Employees. The Policy has been posted on website of the Company at www.steelcogujarat.com.

15. CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 the Board of Directors of the Company approved the updated Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The Policy has been posted on website of the Company at www.steelcogujarat.com.

16. NOMINATION AND REMUNERATION POLICY

The Policy of the Company has been framed on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and remuneration of Key Managerial Personnel and other employees of the Company pursuant to Sub-

section (3) of Section 178 of the Act and Regulation 19 of LODR. The Policy has been posted on website of the Company at www.steelcogujarat.com.

17. CORPORATE GOVERNANCE

A separate report on Corporate Governance as stipulated by Regulation 34(3) read with Para C of Schedule V to the LODR, along with the required certificate from a Practicing Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated by para E of LODR along with the compliance certificate from MD and CFO is appended as Annexure-1.

18. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report is appended as Annexure-2.

19. RELATED PARTY TRANSACTIONS

The Company has not entered into any contracts/ arrangement with related parties pursuant to section 188 of the Companies Act, 2013 and hence, no information is furnished.

20. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of the knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statement in terms of Section 134(4) (c) of the Companies Act, 2013:

- i. That in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year ended on that date;
- iii. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other regularities;
- iv. The Directors had prepared annual accounts on a 'Going Concern' basis;
- v. That the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi. That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

21. APPOINTMENT OF STATUTORY AUDITORS

In terms of Resolution Plan approved by Hon'ble NCLT vide their order dated 31st July, 2023 read with letter dated 5th April, 2024 of NOGF-III, the successful Resolution Applicant and on the recommendation of the Audit Committee, the Board appointed M/s. M Sahu & Co., Chartered Accountants (Firm Registration No. 130001W), as Statutory Auditors of the Company to hold office upto next Annual General Meeting.

22. COST RECORDS AND COST AUDIT

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules 2014, maintenance of cost records and appointment of Cost Auditors were not applicable to the Company.

23. QUALIFICATIONS / OBSERVATIONS OF STATUTORY AUDITORS' REPORT AND SECRETARIAL AUDIT REPORT

The observations of the auditors, viz. Statutory Auditors and Secretarial Auditors, when read together with the relevant notes to the financial statements, are self-explanatory and should be viewed in the light of following facts and circumstances:

- i. the Company had one promoter Director and two Independent Directors (including one Woman Director) before the commencement of the year and ceased to be Directors in terms of Resolution Plan on 20th December, 2023. Before that the Company appointed three Directors (including one Woman Director) pursuant to Resolution Plan on 25th October, 2023. However, there was no optimum combination of the Board of Directors as at 31st March, 2024 and the Company did not have any Committee.
- ii. Neither Board meeting nor any Committee was held during CIRP period.

In the regard, the auditors have been informed that:

- i. The Company has been un-operational since November, 2019
- ii. The Company was admitted to Corporate Insolvency Resolution Process (CIRP) vide order CP(IB) No. 342/NCLT/AHM/2020 dated 31.12.2020 by Hon'ble National Company Law Tribunal, Ahmedabad Bench, Court No. II (Hon'ble NCLT) and Mr. Nirav Anupam Tarkas, Chartered Accountant was appointed as Interim Resolution Professional (IRP). Subsequently, at the first CoC Meeting held on 10.02.2021, his appointment was confirmed as Resolution Professional (RP)
- iii. During the CIRP period, powers of the Board stood suspended
- iv. Hon'ble NCLT subsequently passed an order vide No. IA No. 763/AHM/2022 in CP(IB)/342/AHM/2020 dated 31st July, 2023 approving Resolution Plan submitted by M/s. Next Orbit Growth Fund III - the Resolution Applicant for Steelco Gujarat Limited ('the Company')

- v. The New Management (the Resolution Applicant) is in the process of implementation of the Resolution Plan. The Company has appointed two Independent Directors, Managing director, Whole time Director and Chief Financial Officer on 15th April, 2024
- vi. Auditors' observations should be viewed in aforesaid perspective

24. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company have appointed M/s. Devesh Pathak & Associates, Practising Company Secretaries, Vadodara to undertake the Secretarial Audit of the Company for the financial year 2023-24. The Secretarial Audit Report is appended as Annexure-3 and forms an integral part of this report.

25. COMPLIANCE WITH SECRETARIAL STANDARDS

The Secretarial Standards issued and notified by the Institute of Company Secretaries of India has been generally complied with by the Company during the year under review after CIRP period.

26. ANNUAL RETURN ON THE WEBSITE

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2023-24 is uploaded on the website of the Company at www.steelcogujarat.com.

27. INTERNAL FINANCIAL CONTROLS

The Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation to section 134(5)(e) of the Act. For the year ended on 31st March, 2024, the Board is of the opinion that the Company has in all material respects sound Internal Financial Control system in place, commensurate with the size, scale and complexity of its business operations, however, they are required to be strengthened further and its operative effectiveness requires improvement. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved internal controls whenever the effect of such gaps would have a material effect on the Company's operations.

28. ANTI-SEXUAL HARASSMENT POLICY

The Company, in view of having lesser than 10 employees was not required to constitute Internal Complaints committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. However, the Company has zero tolerance approach towards sexual harassment of women at workplace. Further, no complaint was received by the Company during the year under review.

29. DISCLOSURE OF PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the Company was virtually unoperational, the Company:

- a. has no material information to offer in respect of Conservation of Energy
- b. has no material information to offer in respect of Technology absorption
- c. has neither earned nor spent any foreign exchange.

30. DETAILS ABOUT THE DEVELOPMENT AND IMPLEMENTATION OF POLICY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Since the Company does not fall in any of the criteria mentioned in section 135(1) of the Act, provisions of Section 135 of the Act and rules framed thereunder relating to corporate social responsibility, are not applicable to the Company. Hence, no details in the regard have been furnished.

31. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

There was no employee drawing remuneration of Rs. 1,02,00,000 or more per annum or Rs. 8,50,000 per month for any part of the year or more including any director. Hence no particulars have been furnished as contemplated under section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

32. SIGNIFICANT OR MATERIAL ORDER PASSED

Hon'ble NCLT vide its order no. IA No. 763 (AHM)/2022 in CP(IB)/342/(AHM)2020 pronounced on 31st July 2023 ('the order') approved the Resolution Plan submitted by M/s Next Orbit Growth Fund III ('Successful Resolution Applicant') in respect of the Company as detailed in foregoing paragraphs.

The successful Resolution Applicant and the Company are in the process of implementation of the Resolution Plan and aforesaid observations/information should be viewed in the said perspective.

33. GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a) Details relating to deposits covered under Chapter V of the Act.
- b) Details of remained, unpaid or unclaimed dividend at the end of year.
- c) Issue of equity shares with differential right as to dividend, voting or otherwise.
- d) Issue of shares (including Sweat Equity Shares) to employees of the Company under any scheme.
- e) Neither the Managing Director nor the Whole Time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- f) No significant or material order, is passed by the Regulators or Courts or Tribunals, which impact the going concern status and Company's operations in future.

34. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their appreciation for the co-operation and assistance received from the Government of India, Government of Gujarat, Financial Institution, the Company's Bankers, Electricity Companies, Palej Gram Panchayat, other Government Agencies, Customers, Suppliers and Investors. Your Directors express gratitude to the investors for their confidence reposed in the Company and Co-operation, and especially to the employees for their dedicated service and support.

35. CAUTIONARY STATEMENT

Statement in the Board's Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'Forward Looking Statements' within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that may make difference to the Company's operations include raw material availability and its prices, cyclic demand and the pricing in the Company's principal markets, changes in government policies, regulations, tax regimes, economic developments within India and countries in which the Company conducts business.

By order of the Board
For Steelco Gujarat Limited

Place: Vadodara
Date: 24th June 2024

Mr. Anoop Kumar Saxena
Managing Director

Mr. Anshoo Raj Khare
Whole Time Director

ANNEXURE - 1 TO BOARD'S REPORT

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance essentially is the system by which companies are directed and controlled by the management in the best interest of all the stakeholders and others. Corporate Governance ensures fairness, transparency and integrity of the management. Your Company believes that for its sustained success, it must maintain global standards of corporate conduct towards its shareholders, customers, employees, all other stakeholders and society in general. The Company has focused on good Corporate Governance, which is a key driver of sustainable corporate growth and long-term value creation for its shareholders. Above all, Corporate Governance must balance individual interest with corporate goals and operate within accepted norms of propriety, equity, fair play and a sense of justice. Accountability and transparency are key drivers to improve decision-making and rationale behind such decisions, which in turn improves confidence of all stakeholders.

However, the Company has been un-operational since November, 2019.

The Company was admitted to Corporate Insolvency Resolution Process (CIRP) vide order CP(IB) No. 342/NCLT/AHM/2020 dated 31.12.2020 by Hon'ble National Company Law Tribunal, Ahmedabad Bench, Court No. II (Hon'ble NCLT) and Mr. Nirav Anupam Tarkas, Chartered Accountant was appointed as Interim Resolution Professional (IRP). Subsequently, at the first CoC Meeting held on 10.02.2021, his appointment was confirmed as Resolution Professional (RP).

During the CIRP period, powers of the Board stood suspended.

Hon'ble NCLT has passed an order vide No. IA No. 763/AHM/2022 in CP(IB)/342/AHM/2020 dated 31st July, 2023 approving Resolution Plan submitted by M/s. Next Orbit Growth Fund III - the Resolution Applicant for Steelco Gujarat Limited ('the Company')

The New Management (the Resolution Applicant) is in the process of implementation of the Resolution Plan. The Company has appointed two Independent Directors, Managing director, Whole time Director and Chief Financial Officer on 15th April, 2024

So, the Corporate Governance Report should be viewed in aforesaid perspective

II. GOVERNANCE STRUCTURE

The corporate governance structure of Steelco Gujarat Limited is as follows:

The Board of Directors: The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company.

As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management and adheres to ethics, transparency and disclosure.

Committees of the Board: As the Company was under CIRP and as there were no Independent Directors appointed in the Company, no Committees were constituted during the year under Review.

However, after the end of the Financial Year, as on 15th April, 2024, the Board has constituted all the mandatory committees viz, Audit Committee, Nomination & Remuneration Committee as well as Stakeholders' Relationship Committee. Each of the said committee has been mandated to operate within a given framework.

III. BOARD OF DIRECTORS

Composition: Earlier, during the CIRP, the Company was being managed by CA Mr. Nirav Anupam Tarkas Resolution Professional and the powers of the Board stood suspended.

After pronouncement of the order on 31st July, 2023 by Hon'ble NCLT, reconstitution of the Board of Directors of the Company in terms of Resolution Plan was as follows:

- i. Appointment of Mr. Anoop Kumar Saxena (DIN: 10311727), Mr. Anshoo Raj Khare (DIN: 10311752) and Ms. Mukta Jain (DIN: 10315222) as Non promoter Non-Executive Directors on 25th October, 2023.
- ii. Cessation of Praful Chandaria (DIN: 02516129), Ms. Amita Trehan (DIN: 00087510) and Mr. Ajay Prapray Shanghavi (DIN: 00084653) on 20th December, 2023.
- iii. Appointment of Mr. Ashokkumar N. Shah (DIN: 06977676) and Mr. Satish Kumar Panchal as Additional Directors to hold office upto next Annual General Meeting and as Independent Director for the term of two years w.e.f. 15th April, 2024.

MEETINGS AND ATTENDANCE

No Board Meeting was conducted during CIRP period. However thereafter two board meetings were held during the year the year under review.

The composition of the Board as on 31st March, 2024 was as under:

Category of Directors	Number of meetings during the year 2023-24	
	Held	Attended
Executive Director*	-	-
Promoters, Non-Executive	-	-
Non-Promoter Non-Executive		
1. Mr. Anoop Kumar Saxena	2	2
2. Mr. Anshoo Raj Khare	2	2
3. Mrs. Mukta Jain	2	2
Non-Executive Independent	-	-
Nominee Director	-	

* Mr. Anoop Kumar Saxena and Mr. Anshoo Raj Khare were subsequently appointed as Managing Director and Whole time Director respectively on 15th April, 2024.

IV. AUDIT COMMITTEE

Terms of reference:

The terms of reference of the Audit Committee cover the matters specified for Audit Committees under Regulation 18 read with Part C of Schedule II to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“LODR”) and Section 177 of the Companies Act, 2013 (“the Act”).

Composition and Attendance:

During the Year under Review, the Company was under CIRP. As there were no Independent Directors Audit Committee was not constituted and accordingly no meetings were held during the Financial Year 2023-24

However, thereafter Mr. Ashokkumar N. Shah (DIN: 06977676) and Mr. Satish Kumar Panchal were appointed as Independent Director to w.e.f. 15th April, 2024 pursuant to the Resolution Plan.

Thereafter, the Audit Committee was constituted comprising of the following members:

Sr. No.	Name of Director	Designation	Chairman / Member
1.	Mr. Ashokkumar Natwarlal Shah	Non-Executive Independent Director	- Chairman
2.	Mr. Satishkumar Panchal	Non-Executive Independent Director	- Member
3.	Mr. Anoop Kumar Saxena	Executive Director	Member

All the members of the Audit Committee are having financial and accounting knowledge. The Audit Committee invites such of the executives, as it considers appropriate to be present at its meetings.

V NOMINATION AND REMUNERATION COMMITTEE

Terms of reference and Remuneration Policy:

The terms of reference of the Nomination and Remuneration Committee cover the matters as specified under Section 178 and other applicable provisions of the Act and the rules made there under as well as Regulation 19 read with Part D Paragraph A of Schedule II to LODR. The terms include mainly formulation of the criteria for determining qualifications, positive attributes and independence of director as also to recommend to the Board, a policy relating to the remuneration for the Directors, Key Managerial Personnel and other Employees.

Composition and Attendance:

During the Year under Review, the Company was under CIRP. As there were no Independent Directors, Nomination and Remuneration Committee was not constituted and no meetings were held during the Financial Year 2023-24.

However, thereafter Mr. Ashokkumar N. Shah (DIN: 06977676) and Mr. Satish Kumar Panchal were appointed as Independent Director to w.e.f. 15th April, 2024 pursuant to the Resolution Plan.

And thereafter, the Nomination and Remuneration Committee was constituted comprising of the following members:

Sr. No.	Name of Director	Designation	Chairman / Member
1.	Mr. Satishkumar Panchal	Non-Executive - Independent Director	Chairperson
2.	Mr. Ashokkumar Natwarlal Shah	Non-Executive - Independent Director	Member
3.	Ms. Mukta Jain	Non-Executive Director	Member

REMUNERATION POLICY:

The Company has a credible and transparent policy in determining and accounting for the remuneration of Directors, Key Managerial Personnel & Employees of the Company and has been posted on its website www.steelcogujarat.com.

A. Remuneration to Non-Executive Directors

The Non-Executive Directors are not paid any remuneration except payment of sitting fees. The Non-Executive especially the Independent Directors are paid sitting fees for each meeting of the Board or Committee of Directors attended by them, as approved by the Board of Directors from time to time. No sitting fees were paid during the year under review. The Directors do not have any material pecuniary relationship or transactions with the Company.

B. Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Managing Director is governed by the recommendation of the Nomination and Remuneration Committee, approved by the Board of Directors and Shareholders of the Company. No remuneration was paid to Executive Directors as there was no executive director during the year under review. Presently, the Company does not have a scheme for grant of stock option or performance linked incentives for its directors.

VI STAKEHOLDERS' RELATIONSHIP COMMITTEE

Terms of Reference:

The terms of reference cover the matters specified for the Committee under Section 178 of the Act and Regulation 20 read with Paragraph B of Part D of Schedule II to LODR.

The Company has authorized its Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited, for taking necessary actions to the investors' requests / complaints like, share Transfer/ Transmission / Transposition/ issue of duplicate share certificates, confirmation letters in lieu of lost/misplaced/worn out and such other activities related to shares and for various types of complaints from all stakeholders and all statutory authorities (including complaints received through SEBI SCORES).

The Committee is looking after the Shareholders' Relationship and Redressal of investors' / shareholders' major complaints, if required through with the help of Registrar and Share Transfer Agent.

Composition and Attendance:

During the Year under Review, the Company was under CIRP and as there were no Independent Directors appointed in the Company. Hence, Stakeholders' Relationship Committee was not constituted and no meetings were not held during the Financial Year 2023-24.

However, thereafter Mr. Ashokkumar N. Shah (DIN: 06977676) and Mr. Satish Kumar Panchal were appointed as Independent Director to w.e.f. 15th April, 2024 pursuant to the Resolution Plan.

And thereafter, the Stakeholders' Relationship Committee was constituted comprising of the following members:

Sr. No.	Name of Director	Designation	Chairman / Member
1.	Mr. Ashokkumar Natwarlal Shah	Non-Executive Independent Director	- Chairperson
2.	Mr. Satishkumar Panchal	Non-Executive Independent Director	- Member
3.	Mr. Anshoo Raj Khare	Non-Independent Director	Member

VII. SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year under review there were no Independent Directors.

After the end of Financial Year, Shri Ashokkumar Natwarlal Shah (DIN: 06977676) and Mr. Satishkumar Panchal (DIN: 03106982) were appointed as Independent Directors with effect from 15th April, 2024.

And therefore there were no separate meeting of Independent Directors was held during the year under Review.

VIII. SUBSIDIARY COMPANY

There is no subsidiary Company of the Company.

IX. MEANS OF COMMUNICATION

☑ Regulatory official news releases and presentation made to institutional investors, if any and other statutory information, are also displayed on the Company's website www.steelcojaguarat.com.

☑ Management Discussion and Analysis forms part of the Annual Report.

X. GENERAL SHAREHOLDER INFORMATION

ANNUAL GENERAL MEETINGS / EXTRA ORDINARY GENERAL MEETINGS

No General Meetings were conducted as the Company was under CIRP and accordingly compliance of mandatory Secretarial Standards was not applicable.

As the Company was under CIRP, and therefore the Company was unable to pay Annual Listing Fees for financial year 2023-24 during the CIRP period.

As the Company was under CIRP, and therefore the Company was unable to pay Annual Custodian Fees to respective depositories i.e. NSDL, CDSL during the CIRP period.

However, the New Management (the Resolution Applicant) is in process of implementation of the Resolution Plan including reviving contract with NSDL, CDSL, and Link Intime India Private Limited, RTA.

BSE Stock code:

Scrip code: 500399 & Scrip – STEELCO

Dematerialisation of Shares & Liquidity

Share Transfer Deeds, Memorandum of Transfers, Registers, Files and other documents relating to M/s STEELCO GUJARAT LIMITED maintained by LINK INTIME INDIA PRIVATE LIMITED pertaining to transfer of equity shares of the Company and total number of shares in dematerialized form (held with NSDL & CDSL) and total number of shares in physical form of the Company for the period from 1st April, 2023 to 31st March, 2024 were not available to us and on the basis of last available details as at 30th September, 2019, 95.87% of the equity shares of the Company were dematerialized (NSDL – 87.11% and CDSL- 8.75%). The Company is in process of entering into an agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), whereby shareholders have an option to dematerialize their shares with either of the Depositories.

Reconciliation of Share Capital Audit Report

As stipulated by SEBI Regulations in this regard, a qualified Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital.

This audit is carried out every quarter and the report thereon is submitted to the Stock Exchange where the shares of the Company are listed.

The audit confirms the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL & CDSL) and total number of shares in physical form.

However as the Company was under CIRP, the Company has only uploaded the Reconciliation of Share Capital Audit Report for the March, 2024 quarter on the last available details for the quarter ended 30.09.2019. As the details for the quarter ended 31.03.2024 from the Share and Transfer Agent were not available to us.

Details of the Directors seeking appointment / reappointment at the forthcoming Annual General Meeting

Kindly refer to Notice of 34th Annual General Meeting for the above details.

☑ Registrar and Share Transfer Agent:

Share Transfer and all other Investors'/Shareholders' related activities are attended and processed by our Registrars and Transfer Agent (RTA). For lodgement of transfer deeds and any other documents or for any grievances/complaints, kindly contact our Registrar and Transfer Agent at following address:

M/s. LINK INTIME INDIA PVT. LTD.

Head Office: Unit: Steelco Gujarat Limited
C-101, 247 Park, L.B.S. Marg
Vikhroli (West), Mumbai - 400 083

Tel No: 049186270 Fax: 49186060
E-mail id: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

Head Office: Unit: Steelco Gujarat Limited
B-102 & 103, Shangrila Complex, First Floor,
Opp. HDFC Bank, Near Radhakrishna Char
Rasta
Akota, Vadodara - 390 020
Tel No: 0265-2356573, 2356794, Fax: 2356791
E-mail ID: vadodara@linkintime.co.in
Website : www.linkintime.co.in

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2024

The details of shareholding from the Registrar and Transfer Agent were not available to us after November, 2019.

However, the restructured paid up capital in terms of Resolution Plan as detailed in paragraph – 3 (clause in share capital) of the Board's Report effective from 31st March, 2024 was as follows:

Category of Shareholders	Total Holding	Percentage (%)
Promoter & Promoter group (Resolution Applicants/SPVs)	47,00,000	94.64
Public	2,66,012	5.36
Total	49,66,012	100.00

Stock Market Price Data:

As the Company was under CIRP, trading of the Shares of the Company was suspended; hence no stock market price data available for the last financial year.

COMPLIANCE

In compliance with LODR, as applicable, the Company has obtained the certificate regarding compliance of conditions of Corporate Governance from M/s. Devesh Pathak & Associates, Practicing Company Secretaries, Vadodara, which appears as a part of the Annual Report of the Company.

Shareholders' correspondence should be addressed to the Company's RTA at the address mentioned above. The Shareholders having securities in a dematerialized form should give instructions relating to change of address, nomination and / or power of attorney executed by the shareholders directly to their respective Depository Participant(s). Alternatively, shareholders may contact us at secretarial@steelcogujarat.com.

XI. AFFIRMATION AND OTHER DISCLOSURES

Compliance with Governance Framework:

Resolution Applicants/SPVs are in the process of compliance with all mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Related Party Transaction:

All transactions entered in to with the related parties were in terms of Resolution Plan mainly in respect of funding by Resolution Applicants/SPVs as detailed in note no. 37 of the Financial Statement. A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis are periodically placed before the Audit Committee for review and recommendation to the Board for their approval.

As required under regulation 23 of LODR, the Company has formulated a policy on dealing with Related Party Transaction, which is posted on Company's website at www.steelcogujarat.com.

None of the transactions with related parties were in conflict with the interest of the Company. All the transactions are in the ordinary course of the business and have no potential conflicts with the interest of the Company at large and are carried out on an arm's length basis or fair value.

Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the year:

During the year under review, no notices or any other violation has been received by the Company by Stock Exchange(s) or SEBI or any statutory authority, on any matter related to capital markets.

Whistle Blower Policy/Vigil Mechanism

Pursuant to Section 177(9) and (10) of the Act and Regulation 22 of LODR, the Company has formulated Whistle Blower Policy / Vigil Mechanism for Directors and Employees to report to the management about the unethical behaviour, fraud or violations of Company's Code of Conduct.

Disclosure of Accounting Treatment:

In preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Act. The significant accounting policies, which are consistently applied, are set out in the notes to the Financial Statements

Disclosure on Remuneration to Managing Director:

During the year under Review, the Company did not have Managing Director on the Board.

Non-mandatory requirements:

Adoption of non-mandatory requirements of LODR are being reviewed by the Board from time to time.

XII. Declaration regarding compliance by Board Members and Senior Managerial Personnel with Company's Code of Conduct Pursuant to Sebi (Listing Obligations & Disclosure Requirements) Regulations, 2015:

This is to confirm that all Board Members and Senior Management Personnel of the Company have complied with the code of conduct for Directors & Senior Managerial Personnel after the CIRP Period.

XIII. In terms of the Regulations of LODR, the certification by Chief Financial Officer and Managing Director of the Company on the financial statements and internal control relating to financial reporting, have been obtained by the Board of Directors.

XIV. PLANT LOCATION:

Steelco Gujarat Limited
Plot No.2, GIDC Estate,

Palej-392220, Dist. Bharuch,
Gujarat, India.

XV. ADDRESS FOR CORRESPONDENCE:

Steelco Gujarat Limited
Plot No.2, GIDC Estate,
Palej-392220, Dist. Bharuch,
Gujarat, India.

As per requirement of the Regulation 46(2) (j) of LODR with Stock Exchanges, the Company has created a dedicated email ID secretarial@steelcogujarat.com exclusively for the purpose of registering complaints of the investors and is prominently displayed on the Company's website www.steelcogujarat.com.

XVI. COMPLIANCE OFFICER:

As the Company was under CIRP, the Company did not have Company Secretary and Compliance Officer during the year under Review.

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of

Steelco Gujarat Limited
Plot No. 2 G.I.D.C. Estate, Palej,
Dist. Bharuch - 392220

We have examined the compliance of conditions of Corporate Governance of Steelco Gujarat Limited ("the Company") for the year ended March 31, 2024, as stipulated in Regulation 15 and other relevant regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

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

We have observed that:

- i. the Company had one promoter Director and two Independent Directors (including one Woman Director) before the commencement of the year and ceased to be Directors in terms of Resolution Plan on 20th December, 2023. Before that the company appointed three Directors (including one Woman Director) pursuant to Resolution Plan on 25th October, 2023. However, there was no optimum combination of the Board of Directors as at 31st March, 2024 and the Company did not have any Committee.
- ii. Neither Board meeting nor any Committee was held during CIRP period.

In the regard, we have been informed that:

- i. The Company has been un-operational since November, 2019
- ii. The Company was admitted to Corporate Insolvency Resolution Process (CIRP) vide order CP(IB) No. 342/NCLT/AHM/2020 dated 31.12.2020 by Hon'ble National Company Law Tribunal, Ahmedabad Bench, Court No. 2 (Hon'ble NCLT) and Mr. Nirav Anupam Tarkas, Chartered Accountant was appointed as Interim Resolution Professional (IRP). Subsequently, at the first CoC Meeting held on 10.02.2021, his appointment was confirmed as Resolution Professional (RP)
- iii. During the CIRP period, powers of the Board stood suspended
- iv. Hon'ble NCLT subsequently passed an order vide No. IA No. 763/AHM/2022 in CP(IB)/342/AHM/2020 dated 31st July, 2023 approving Resolution Plan submitted by M/s. Next Orbit Growth Fund III - the Resolution Applicant for Steelco Gujarat Limited ('the Company')

- v. The New Management (the Resolution Applicant) is in the process of implementation of the Resolution Plan. The Company has appointed two Independent Directors, Managing director, Whole time Director and Chief Financial Officer on 15th April, 2024
- vi. Our observations should be viewed in aforesaid perspective

We 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 **Devesh Pathak & Associates**
Practising Company Secretaries

Place: Vadodara
Date: 24.06.2024

CS Devesh A. Pathak
Founder
FCS4559
CoP No.: 2306
PR: 1412/2021
Firm Regn. No.: S2018GJ621500
UDIN: F004559F000602926

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members of

Steelco Gujarat Limited

Plot No. 2 G.I.D.C. Estate, Palej,

Dist. Bharuch - 392220

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Steelco Gujarat Limited having CIN: L27110GJ1989PLC011748 and having registered office at Plot No. 2 G.I.D.C. Estate, Palej, Dist. Bharuch - 392220 (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 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] as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Anoop Kumar Saxena	10311727	25/10/2023
2.	Mr. Anshoo Raj Khare	10311752	25/10/2023
3.	Ms. Mukta Jain	10315222	25/10/2023

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 these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Devesh Pathak & Associates
Practising Company Secretaries

Date: 24th June, 2024

Place: Vadodara

CS Devesh A. Pathak

Founder

FCS4559

CoP No.: 2306

PR: 1412/2021

Firm Regn. No.: S2018GJ621500

UDIN: F004559F000602915

To

The Board of Directors

Steelco Gujarat Limited

We, Anoop Kumar Saxena, Managing Director of the Company and Mahendra Parekh, Chief Financial Officer of the Company certify that:

- A. We have reviewed financial statements and the cash flow statement and all the notes on accounts for the year ended on March 31, 2024 and to the best of our knowledge and belief:
- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with Indian Accounting Standards, applicable laws and regulations.
- B. Annual written confirmation from the members of the Board of Directors and Senior Management Personnel have been obtained, confirming their compliance with the Code of Conduct of the Company.
- C. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended on March 31, 2024 are fraudulent, illegal or violative of the Company's Code of Conduct.
- D. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of 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.
- E.
- i. There has not been any significant change in internal control over financial reporting during the year under reference;
 - ii. Changes in accounting policies consequent to the implementation of the Indian Accounting Standards (Ind AS) have been appropriately disclosed in the Financial Statements and the impact thereof on the Company's financials is not material;

and

- iii. We are not aware of any instance during the year, of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Date: June 24, 2024
Place: Vadodara

Anoop Kumar Saxena
Managing Director

Mahendra Parekh
Chief Financial Officer

ANNEXURE - 2 TO BOARD'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE, DEVELOPMENTS, OPPORTUNITIES AND OUTLOOK

The purpose of this report is to present Management's viewpoint on the external environment and the steel industry, alongside discussing strategy, operational and financial performance, significant developments in human resources and industrial relations, risks and opportunities, and the adequacy of internal control systems within the Company for the fiscal year 2023-24. The Company's financial statements have been prepared in compliance with Indian Accounting Standards ('Ind AS'), as per the requirements of the Companies Act, 2013, and regulations set forth by the Securities and Exchange Board of India ('SEBI').

Global Economy and Steel Industry

Worldsteel's Short Range Outlook forecasts stable Chinese steel demand in 2024, aligning with 2023 levels, but anticipates a 1% decline in 2025. Globally, steel demand is projected to rebound by 1.7% this year to 1.793 billion metric tons, followed by a 1.2% growth in 2025 to 1.815 billion metric tons. Despite challenges such as Russia's invasion on Ukraine, inflation, and geopolitical uncertainties, the global economy shows resilience. In the developed world, steel demand is expected to strengthen with 1.3% growth in 2024 and 2.7% in 2025, bolstered by robust investment activities, particularly in the U.S. and potential global decarbonisation efforts, though geopolitical tensions and fiscal concerns pose risks.

Indian Economy and Steel Industry

Steel, a cornerstone of industrialization, is pivotal due to its role as both raw material and intermediary product. It signifies a country's economic prowess, making the steel sector vital to industrial progress and foundational to any economy. In India, the steel industry is categorized into major producers, main producers, and secondary producers. As the world's second-largest producer of crude steel, India produced 125.32 million tonnes (MT) of crude steel and 121.29 MT of finished steel in 2023, with production expected to grow by 4-7% to 123-127 MT in 2024. This growth is underpinned by abundant domestic raw materials like iron ore and cost-effective labour, bolstering the sector's significant contribution to India's manufacturing output. India's steel mills are modern, emphasizing continuous modernization and enhanced energy efficiency across facilities.

India's steel industry is a key focus amid efforts to bolster manufacturing under initiatives like Make in India. Contributing about 2% to GDP, India ranks as the world's second-largest steel producer and aims to surpass China as the second-largest consumer. This growth potential not only enhances export manufacturing capacity but also aims to improve India's steel trade balance positively. The National Steel Policy targets a production capacity of 300 million tonnes by 2030-31, with per capita steel consumption rising from 57.6 kgs to 74.1 kgs in recent years. The government aims to double rural steel consumption to 38 kgs per capita by 2030-31, supported by expected 7.2% annual growth in steel demand driven by infrastructure, automobile, and railways sectors.

The Ministry of Steel, Government of India has undertaken several initiatives to boost the steel sector. Some of the major initiatives include:

1. National Steel Policy (NSP)

2. Production Linked Incentive (PLI) Scheme
3. Rashtriya Ispat Nigam Limited (RINL) Disinvestment
4. Amendment to Mines and Minerals (Development and Regulation) Act
5. Infrastructure Development
6. Research and Development (R&D) Initiatives
7. Promotion of Steel Usage
8. Skill Development

These initiatives are part of the government's broader strategy to strengthen the steel sector's contribution to India's economic growth, enhance its global competitiveness, and achieve sustainable development goals.

OPPORTUNITIES, THREATS, RISKS AND CONCERN

Growth in exports ensures huge access to global markets. The Stable Government at the center with policies in place for development of economy along with steel industry. The Steel consumption and production are expected to grow with pace year-on-year basis

Against the vast opportunities, certain likely threats and risks associated are :

- Demand balance.
- Excess volatility in steel and raw material markets
- Dumping of excess inventory in other countries by countries producing steel in abundance.
- Overcapacity and oversupply in global steel industry.
- Cheaper imports and raw material deficiencies may lead to low capacity utilization despite of the capacity of Indian steel sector to work at full capacity level.
- Competition from substitute materials may lead to change in demand pattern.
- Financial and taxation policy of Government.

The Indian steel industry still writhes with high cost of power, fuel and transportation, which are expected to be addressed by Government by various measures. **Continuous capacity expansion of integrated steel manufacturer for processing value added products are resulting into increase in their market share at the cost of secondary manufactures and resulting into squeezing margins due to keen competition.** To stay ahead, it shall be the endeavour of your Company to continue developing more and more value added specialized products (Niche) and better product mix and geography mix to ensure its own growth.

The volatility of currency contributes to high risk and to minimize the impact of the same a prudent policy of necessary hedging / forward sales may be adopted, as may be required, to draw the balance between the forex asset and liabilities.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONS

The overall sales in revenue including other income during FY 2023-24 stood at ` 30.82 Lakhs and net profit of `15,785.35 Lakhs. This is against the revenue of FY 2022-23 of ` Nil and a net loss of ` 745.71 Lakhs in the previous year. The Net profit was as a result of exceptional items resulting out of writing off of the following items:

1. Extinguishment of Financial Creditors after final settlement

2. Extinguishment of Operational Creditors
3. Advances from Customers
4. Other Non-Current Asset
5. Deposits not Receivable
6. Extinguishment of Interest
7. Extinguishment expenses Payables
8. Cash
9. Extinguishment of Statutory Liabilities
10. Extinguishment of Preference share capital Liability
11. Bed debt againts sundry debtots

1. The Company has been un-operational since November, 2019.

2. The Company was admitted to Corporate Insolvency Resolution Process (CIRP) vide order CP(IB) No. 342/NCLT/AHM/2020 dated 31.12.2020 by Hon'ble National Company Law Tribunal, Ahmedabad Bench, Court No. II (Hon'ble NCLT) and Mr. Nirav Anupam Tarkas, Chartered Accountant was appointed as Interim Resolution Professional (IRP). Subsequently, at the first CoC Meeting held on 10.02.2021, his appointment was confirmed as Resolution Professional (RP).

3. The Company is in process to enter into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have option to dematerialize their shares with either of the depositories.

4. Hon'ble NCLT has passed an order vide No. IA No. 763/AHM/2022 in CP(IB)/342/AHM/2020 dated 31st July, 2023 approving Resolution Plan submitted by M/s. Next Orbit Growth Fund III - the Resolution Applicant for Steelco Gujarat Limited ('the Company')

5. The New Management (the Resolution Applicant) is in process of implementation of the Resolution Plan.

INTERNAL CONTROL SYSTEM AND THEIR EFFICACY

The Company has in all material respects sound Internal Financial Control system in place, commensurate with the size, scale and complexity of its business operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses executing transaction with proper authorization and ensure compliance of corporate policies.

The Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation to section 134(5)(e) of the Act. For the year ended on 31st March, 2024, the Board is of the opinion that the Company has in all material respects sound Internal Financial Control system in place, commensurate with the size, scale and complexity of its business operations, however, they are required to be strengthened further and its operative effectiveness requires improvement. The Company has a process in place to continuously monitor the

same and identify gaps, if any, and implement new and / or improved internal controls whenever the effect of such gaps would have a material effect on the Company's operations.

STATUTORY COMPLIANCES

Since November 2019, the Company has ceased operations, leading to the absence of any business activities and was in Corporate Insolvency Resolution Process (CIRP). Resolution Applicant (New Management) is committed to statutory compliances.

QUALITY

Your Company believes in branding its products for sustainable and long term growth, through customer satisfaction that goes beyond contractual obligations, improvement in quality, and resolution of customer complaints with a target of improvement in reduction of complaints from time to time. In today's global competition and open economy, quality plays a vital role in marketing the products and in staying ahead of others. Therefore, more emphasis is being given to manufacturing of products that meets high standards of quality in the global market and customers' satisfaction. Proactive efforts are directed towards determining customers' requirements and achieving all-round customer satisfaction. This is primarily aimed to be achieved through automated systems, high attention to complaint resolution, online communication, and information exchange, at various levels.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS

Since November 2019, the Company has ceased operations, leading to the absence of any workforce and a lack of significant developments in Human Resources and Industrial Relations. As a result of its non-operational status, there have been no personnel employed during this period, and there have been no noteworthy changes or advancements in the areas of Human Resources or Industrial Relations within the Company.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Since the Company has not been in operation since November, 2019 and was in CIRP, most of the financial ratios are not applicable and hence not mentioned.

ANNEXURE - 3 TO BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[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,
Steelco Gujarat Limited
PLOT NO. 2, G.I.D.C. ESTATE, PALEJ,
DIST. BHARUCH, Gujarat- 392220

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Steelco Gujarat 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 expressing our opinion thereon.

Based on our verification of the Steelco Gujarat Limited's 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 authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 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, 2024 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b)The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; [Presently: The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015]
- (c)The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. [Presently: The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.]
- (d)The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; [Presently: The Securities and Exchange Board of India (Share based Employee benefits and Sweat Equity) Regulations, 2021.]
- (e)The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Now Repealed)
- (f)The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g)The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Presently: The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.]
- (h)The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; [Presently: The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018]
- (vi) In the regard, we have been informed that:
- i. The Company has been un-operational since November, 2019
 - ii. The Company was admitted to Corporate Insolvency Resolution Process (CIRP) vide order CP(IB) No. 342/NCLT/AHM/2020 dated 31.12.2020 by Hon'ble National Company Law Tribunal, Ahmedabad Bench, Court No. II ('Hon'ble NCLT') and Mr. Nirav Anupam Tarkas, Chartered Accountant was appointed as Interim Resolution Professional (IRP). Subsequently, at the first CoC Meeting held on 10.02.2021, his appointment was confirmed as Resolution Professional (RP)
 - iii. During the CIRP period, powers of the Board stood suspended
 - iv. Hon'ble NCLT subsequently passed an order vide No. IA No. 763/AHM/2022 in CP(IB)/342/AHM/2020 dated 31st July, 2023 approving Resolution Plan submitted by M/s. Next Orbit Growth Fund III - the Resolution Applicant for Steelco Gujarat Limited ('the Company')
 - v. The New Management (the Resolution Applicant) is in the process of implementation of the Resolution Plan. The Company has appointed two Independent Directors, Managing director, Whole time Director and Chief Financial Officer on 15th April, 2024
 - vi. Our observations should be viewed in aforesaid perspective

Moreover, the operations of the Company were closed throughout during the year under review.

Accordingly, we have been given to understand that compliance of following laws specifically applicable to the Company as identified by earlier management was not relevant:

- (a) Water (Prevention and Control of Pollution) Act, 1974
- (b) Air (Prevention and Control of Pollution) Act, 1981
- (c) Hazardous Waste (Management and Handling) Rules, 1989
- (d) The Environment Protection Act, 1986
- (e) Indian Boilers Regulations, 1950

We have also been given to understand that the Company is in process of entering into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have option to dematerialize their shares with either of the depositories.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Ltd. [including Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR').

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- (a) Meetings of neither Board of Directors nor of any committee nor of any shareholders were held during CIRP period in the year under review. However, thereafter two Board meetings were held during the year under review.
- (b) The Company has started filing forms with Ministry of Corporate Affairs after CIRP period.
- (c) The Company has started making intimation/disclosure to the Stock Exchange after CIRP period. The Company has made only following quarterly/periodical compliance with BSE:
- (d) The Company did not have any Key Managerial Personnel during the year under review. However, thereafter Managing Director, Whole time Director appointed
- (e) We have been informed that the aforesaid observations should be viewed in the perspective of
 - No business operations were carried out throughout during the year under review.
 - The Company was under moratorium in view of being under CIRP.
 - The Company was managed by the Resolution Professional with the approval of the Committee of Creditors, wherever necessary.

We further report that

The Board of Directors of the Company was duly constituted with proper balance of Non-Executive Directors and Independent Directors except that the Company did not have any Key Managerial Personnel. No change took place during the year under review.

No Board Meeting or Committee Meeting or General Meeting as aforesaid was conducted during CIRP period and accordingly compliance of mandatory Secretarial Standards was not applicable during said period.

We further report that there were 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 keeping in view the Company was under CIRP.

We further report (by way of information) on the basis of information furnished to us in respect of the Company that during the audit period:

(a) Since the Company has issued securities during the period under review under the Resolution Plan approved by the Hon'ble NCLT.

- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

- The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021.

were not applicable during the period under review.

(b) In view of neither delisting of Equity Shares nor buy back of any security of the Company,

- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and

- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018]

were not applicable during the period under review.

(c) Hon'ble National Company Law Tribunal, Ahmedabad Bench (Court No. II) ('Hon'ble NCLT') vide its order no. IA No./763/(AHM) 2022 IN CP(IB)/342/(AHM)/2020 pronounced on 31st July, 2023 ('the order') approved the Resolution Plan submitted by M/s Next Orbit Growth Fund III ('NOGF') in respect of the Company.

(d) We further wish to inform that pursuant to the said Order dated 31st July, 2023, the New Management (the Resolution Applicant) is in the process of implementation of the Resolution Plan including entering into contract with NSDL, CDSL, and Link Intime India Private Limited, RTA.

(e) The Company had one promoter Director and two Independent Directors (including one Woman Director) before the commencement of the year and ceased to be Directors in terms of Resolution Plan on 20th December, 2023. Before that the Company appointed three Directors (including one Woman Director) pursuant to Resolution Plan on 25th

October, 2023. However, there was no optimum combination of the Board of Directors as at 31st March, 2024 and the Company did not have any Committee.

- (f) Earlier, during the CIRP, the Company was being managed by CA Mr. Nirav Anupam Tarkas Resolution Professional and the powers of the Board stood suspended.

After pronouncement of the order on 31st July, 2023 by Hon'ble NCLT, reconstitution of the Board of Directors of the Company in terms of Resolution Plan was as follows:

- i. Appointment of Mr. Anoop Kumar Saxena (DIN: 10311727), Mr. Anshoo Raj Khare (DIN: 10311752) and Ms. Mukta Jain (DIN: 10315222) as Directors on 25th October, 2023.
 - ii. Cessation of Praful Chandaria (DIN: 02516129), Ms. Amita Trehan (DIN: 00087510) and Mr. Ajay Prapray Shanghavi (DIN: 00084653) on 20th December, 2023.
 - iii. Appointment of Mr. Ashokkumar N. Shah (DIN: 06977676) and Mr. Satish Kumar Panchal as Additional Directors to hold office upto next Annual General Meeting and as Independent Director to w.e.f. 15th April, 2024.
 - iv. Appointment of CA Mr. Mahendra Parekh as a Chief Financial Officer w.e.f. 15th April, 2024.
 - v. Appointment of Mr. Anoop Kumar Saxena as Managing Director and Mr. Anshoo Raj Khare as Whole time Director w.e.f. 15th April, 2024.
 - vi. Appointment of CS Ms. Sejal Rana as a Company Secretary from the date of her joining.
- (g) In terms of Clause 3(xxiv) (page no. 13.14) of the order, NOGF, RA alongwith other SPVs infused funds of Rs. 86.15 crores for payment to creditors, workmen etc. in September/October 2023 as per Resolution Plan as follows:

	Rs.
Next Orbit Growth Fund (NOGF) III, the RA	117500000
Phoenix Trust	350000000
Sainaisha Traders Pvt. Ltd.	110000000
Ultimate Investofin Ltd.	284000000
	861500000

- (h) In terms of the Resolution Plan approved by the Hon'ble NCLT vide their order dated 31st July, 2023 Restructuring of the Equity and Preference share capital effective from 31st March, 2024 was implemented as follows:

- i. Allotment of 47,00,000 Equity shares of Rs. 10/-each aggregating to Rs. 4,70,00,000 to the Resolution Applicant/SPV with effect from 31st March, 2024 out of the funds already infused pursuant to Clause 3(xv)(4) (page 17 of the order read with Clause 3(d) relating to Equity infusion of Part A (Business Plan) (Page no. 11 of the

Resolution Plan), paragraph 1.2.9 of Part B (Financial Proposal) (page no. 25 of the Resolution Plan) read with Clause VI(5)(a) of Schedule 2 (Page no. 40 of the Resolution Plan) of the Resolution Plan.

ii. Total reduction of

- 3,19,21,366 Equity Shares of Rs. 10/-each aggregating to Rs. 31,92,13,660
- 3,28,20,000 12.5% Cumulative Redeemable Non-Convertible Preference Shares of Rs.10/- each aggregating to Rs. 32,82,00,000
- 34,86,200 7% Cumulative Redeemable Non-Convertible Preference Shares of Rs.10/- each aggregating to Rs. 3,48,62,000

held by M/s. Spica Investment Ltd; Promoter wef 31st March, 2024 pursuant to Clause 3(xv)(3) (page no. 16 of the order), Clause 6 (page no. 19 of the order read with Clause 3(e) relating to Capital Reduction of Part A (Business Plan) (Page no. 11 of the Resolution Plan), paragraph 1.2.8(d) of Part B (Financial Proposal) (page no. 24 of the Resolution Plan) and Para VII of Schedule – 2 (page no. 41 of the Resolution Plan) of the Resolution Plan.

iii. Partial reduction of 1,06,40,456 Equity Shares of Rs. 10/-each aggregating to Rs. 10,64,04,560 held by public into 2,66,012 Equity Shares of Rs. 10/-each aggregating to Rs. 26,60,120 in the ratio of 2.5 Equity Shares of Rs. 10/-each for every 100 Equity shares of Rs. 10/- each held by every public shareholder with effect from 31st March, 2024 in terms of SEBI Regulations and pursuant to Clause 3(xv)(3) (page no. 16 of the order), Clause 6 (page no. 19 of the order read with Clause 3(e) relating to Capital Reduction of Part A (Business Plan) (Page no. 11 of the Resolution Plan), paragraph 1.2.8(d) of Part B (Financial Proposal) (page no. 24 of the Resolution Plan) and Para VII of Schedule – 2 (page no. 41 of the Resolution Plan) of the Resolution Plan

iv. Alteration in the Capital Clause of Memorandum of Association relating to Reduction in Authorised Capital from Rs. 150 crores to Rs. 5 crores pursuant to Clause No. VIII of Schedule 2 (page no. 41 of the Resolution Plan) of the Resolution Plan

v. Approval of the shareholders/members would be deemed to have been obtained and the provisions made in the resolution plan as regards the restructuring of capital shall be binding on them.

Accordingly, paid up capital of the Company stands restructured from 4,25,61,822 Equity Shares of Rs. 10/- each aggregating to Rs. 42,56,18,220 to 49,66,012 Equity Shares of Rs. 10/- each aggregating to Rs. 4,96,60,120 effective from 31st March, 2024.

(i) In terms of paragraph 2(d) of Part A: Business plan (Page no. 9 of the Resolution Plan) approved by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, Court No. II (Hon'ble NCLT) vide their order no. IA 763/(AHM)/2022 in CP(IB)/(AHM)/2020

pronounced on 31st July, 2023 ('the order') read with letter dated 5th April, 2024 by M/s. Next Orbit Growth Fund III, the Successful Resolution Applicant as well as pursuant to the Section 139, 140 and any other provisions, applicable, if any of the Companies Act, 2013 [including statutory modification(s) and re-enactment(s) thereof for the time being in force] as also any other applicable laws as the case may be, M/s M Sahu & Co., Chartered Accountants, Vadodara (Firm Registration No. 130001W) was appointed as Statutory Auditors of the Company for the Financial Year 2023-24 until the conclusion of next Annual General Meeting by the Board of Directors by passing Circular Resolution on 29th May, 2024.

- (j) In view of no turnover during the previous year ended on 31st March, 2022, the Company was not required to appoint Cost Auditor for the Year ended on 31st March, 2023.
- (k) No provision for dividend on Preference shares was made.
- (l) We have been informed that the Resolution Professional and the successful Resolution Applicant are in the process of implementation of the Resolution Plan and aforesaid observations/information should be viewed in the said perspective.
- (m) In view of negative other equity of Rs. 3456.47 lakhs, net worth of the Company stood totally eroded aggregating to negative net worth of Rs. 2960.47 lakhs as at 31st March, 2024.
- (n) Trading of Equity Shares of the Company continued to be suspended during the year under review.

Date: 24.06.2024
Place: Vadodara

For Devesh Pathak & Associates
Practising Company Secretaries

CS Devesh A. Pathak
Sole Proprietor
FCS 4559
CP No.: 2306
UDIN: F004559F000008915

Note: This draft report is to be read with our letter of even date which is enclosed as per Annexure forming integral part of this report.

The Members,
Steelco Gujarat Limited
Plot No. 2, G.I.D.C. Estate, Palej,
Dist. Bharuch, Gujarat- 392220

Ref: Secretarial Audit Report dated 24th June, 2024 pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records.

We believe that the processes and the practices we followed provided reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company and have relied upon the reports of designated professionals including Statutory Auditors for the purpose.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, regulations and happenings 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

Date: 24.06.2024
Place: Vadodara

*For Devesh Pathak & Associates
Practising Company Secretaries*

CS Devesh A. Pathak
Sole Proprietor
FCS 4559
CP No.: 2306

INDEPENDENT AUDITOR'S REPORT

To the Members of Steelco Gujarat limited Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of Steelco Gujarat limited (“the Company”), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statement gives the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Companies Act, 2013 and the Rules there under, 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 on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Response to Key Audit Matters
<p>Inventories represent 16% (approx.) of total assets of the Company as at March 31, 2024. Such inventories are held at factory warehouse as at the reporting date. Considering the number of items and the level of inventory held across its factory warehouse, as well as the physical verification of these inventories at these locations are conducted on different dates, the risk of existence of such inventory and the identification of non-moving, obsolete / damaged inventory is a significant area of audit importance. The inventory valuation also requires management estimates towards write-down of inventory items to its net realizable value (wherever applicable) and allowance for slow moving or non-moving inventory including obsolescence risk.</p> <p>Considering the relative significance of the Inventory to the Standalone financial statements, we have considered the existence of Inventory and allowance of slow / non-moving inventory and obsolescence as key audit matter.</p>	<p>The inventory has been physically verified by the management during the year. However, inventory was not physically verified by us and we have relied upon valuation and finding which were reported by the management.</p>

Emphasis of Matter

- (i) We draw attention to the Note No 30, 42, and 45 to the Financial Statement that:
wherein the company has inter-alia disclosed the facts w.r.t. the implementation of the NCLT approved resolution plan under the Insolvency and Bankruptcy Code (IBC), 2016 and the consequential relinquishment / realignment of the rights, risks and responsibilities of the company and all other stakeholders including financial and operational creditors, of which necessary effect has been considered in the said financial statements;

- (ii) We draw attention to the Note No 43 of the Financial Statements that the Approval of Regulatory authority is pending in respect of allotment of New Equity shares.
- (iii) We draw attention to Note 41 of the accompanying financial result, whereby the company has provided explanation for the change in accounting policy from deemed Cost model to Revaluation model for the entire class of asset related to leasehold land and building. The company has disclosed its related impact on financial results of the company. Further, the company has restated the financial results of the earlier periods presented and the impact for change in such accounting policy have been duly disclosed in accordance with Ind AS - 8 "Accounting Policies, Changes in Accounting Estimates and Errors". The Impact of changes on the restated financial results, due to change in above accounting policy has been audited by us.

Also, the company has reclassified its investment in leasehold land as property plant & equipment w.e.f 01.04.2022 as the lease and license agreement of the same is not in force and the intention of the Company is not there to lease it again.

- (iv) We draw attention to the Note No 46 to the Financial Statement, the Company has paid / provided for excess remuneration to the managing director during FY: 2016-17, 2017-18 and 2018-19 without obtaining the approvals in accordance with Section 197 of the Act. The excess remuneration reversed is shown as recoverable from the Managing Director. The Company has filed suit against the Managing Director for the recovery of the excess amount of remuneration.

Information other than the Financial Statements and Auditor's Report thereon

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

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

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all

relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

The financial statements of the Company for the year ended March 31, 2023, have been audited by a firm of Chartered Accountants other than M Sahu & Co, who have expressed an unmodified opinion on those financial statements vide their report dated April 26, 2023, which has been furnished and has been relied upon by us for the purpose of our audit of the financial statements.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. **(A)** As required by Section 143(3) of the Act, based on our audit, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
- e. On the basis of written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements 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, as amended:

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

- a) Pursuant to the NCLT Order dated 31st July, 2023, the Company does not have any pending litigation which would impact its financial performance.
- b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other person or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company

or

- provide any guarantee security or the like to or on behalf of the Ultimate Beneficiaries.

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

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

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

e) The Company has not declared dividend or paid during the year by the Company.

f) Based on our examination, the company, has used accounting software for maintaining its books of account which does not has a feature of recording audit trail (edit log) facility except in respect of maintenance of Books of account.

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

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

For M Sahu & Co
Chartered Accountants
Firm Registration No: 130001W

Partner (Manojkumar Sahu)
Membership No: 132623
UDIN: 24132623BKELKT2199

Date: 24th June,2024
Place: Vadodara

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1(a)(A)	The Company has maintained proper records showing full particulars including quantitative details and situation of the property, plant and equipment;
1(a)(B)	The Company does not have intangible asset during the period under audit. hence, this clause is not applied.
1(b)	As explained to us, physical verification of the assets has not been carried out during the year.
1(c)	According to the information and explanation given to us and the records examined by us and based on the examination of the scanned copies of the title deeds of the immovable properties pledged with the corporate as security against borrowings, we report that the title deeds of the immovable properties that have been pledged as security against borrowings and other facilities availed by the Company, are held in the name of the Company as at the balance sheet date.
1(d)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year;
1(e)	In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, neither any proceedings have been initiated during the year nor are pending as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder and hence reporting under clause 3(i)(e) of the Order is not applicable to the Company.
2(a)	The inventory has been physically verified by the management during the year. However, inventory was not physically verified by us and we have relied upon valuation and finding which were reported by the management. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks verified by the management and the book records that were 10% or more in the aggregate for each class of inventory;
2(b)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits from banks on the basis of security of current assets hence the

	requirements of paragraph 3(ii)(b) of the Companies (Auditor's Report) Order, 2020 ("the Order") are not applicable to the Company.
3(a)	According to the information and explanations given to us, during the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
(b)	The terms and conditions of the loans, including repayment thereof have not been stipulated. Accordingly, we are unable to comment on clause 3 (c) of the Order regarding regularity of the receipt of principal amount and interest and Clause 3 (c) of the Order regarding steps for recovery of overdue amount of more than rupees one lakh.
(c)	In respect of the aforesaid loan, there is no amount which is overdue for more than ninety days;
(d)	No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties;
(e)	The Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.
(f)	Other than that, mentioned above, the company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnership or any other parties;
4	In our opinion and according to the information and explanations given to us and based on the audit procedures performed, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of investments made. According to information and explanation given to us, the Company has not granted any loans or provided guarantees or securities that are covered under the provisions of sections 185 of the Companies Act, 2013.;
5	The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.;
6	Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order with regard to cost records is not applicable.;
7(a)	The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a year of more than six months from the date they became payable.

7(b)	The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of disputes are being written off based on the order of the NCLT.
8	There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year, Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.;
9(a)	Based on our audit procedures and on the basis of information and explanations given to us, we are of the opinion that the Company has not defaulted in the repayment of loans or other borrowings or in the repayment of interest thereon to the lenders except the dues which has been settled according to honorable NCLT order dated 31 st July, 2023 and hence reporting under clause 3(ix) of the Order is not applicable to the Company.
9(b)	The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority;
9(c)	Term loans were applied for the purpose for which the loans were obtained.;
9(d)	On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company;
9(e)	On an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
9(f)	The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
10(a)	The Company has not raised any money during the year by way of initial public offer / further public offer but has issued shares to the new Promoters based on the NCLT Order dated 31 st July 2023.
10(b)	The Company has not allotted any preferential allotment or private placement of shares during the year and also Company has not issued any debentures during the year.
11(a)	Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.;
11(b)	According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government;
11(c)	As represented to us by the management, there are no whistle blower complaints received by the company during the year.

12	The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
13	Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.;
14(a)	In our opinion and based on our examination, the company does not have an internal audit system however, due to suspension on Securities and Exchange Board of India and non-fulfilment of other conditions as per section 138 of companies Act,2013. company is not required to have an internal audit system.
15	The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
16(a)	The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
16(b)	The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
16(c)	The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
16(d)	The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
17	The Company has incurred cash losses in the financial year and not in the immediately preceding financial year;
18	There is no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) is not applicable;

19	On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, and after the considering the effects as per NCLT order dated 31 st July,2023 on financial statements, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20 (a)&(b)	The provisions of Corporate Social Responsibility (CSR) are not applicable to the company therefore reporting under clause 20(a) and (b) is not applicable.

For M Sahu & Co
Chartered Accountants
Firm Registration No: 130001W

Partner (Manojkumar Sahu)
Membership No: 132623
UDIN: 24132623BKELKT2199

Date: 24th June,2024
Place: Vadodara

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Steelco Gujarat limited.

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

We have audited the internal financial controls over financial reporting of **Steelco Gujarat limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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.

Auditor's Responsibility

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

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

audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 internal financial controls system over financial reporting of the Company.

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 authorizations 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.

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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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 M Sahu & Co
Chartered Accountants
Firm Registration No: 130001W

Partner (Manoj Kumar Sahu)
Membership No: 132623
UDIN: 24132623BKELKT2199

Date: 24th June,2024
Place: Vadodara

Steelco Gujarat Limited
Balance sheet as at 31st March 2024
CIN No.: L27110GJ1989PLC011748

(INR in lakhs)

Particulars	Note No.	As at 31 March 2024	As at	As at
			31 March 2023 (Restated) Refer Note No. 40	01 April 2022 (Restated) Refer Note No. 40
ASSETS				
Non-current assets				
Property, plant and equipment	4	13,639.82	12,892.84	13,228.40
Investment property	5	10.33	11.14	10.39
Financial assets				
(i) Loan	7	33.17	52.72	53
Income tax assets (net)	8	95.31	263.55	125
Other non current assets	9	46.92	124.87	238
		13,825.55	13,345.12	13,654.53
Current assets				
Inventories	10	1,161.74	1,207.75	1,215
Financial assets				
(i) Trade receivables	11	364.86	7,379.82	6,992.11
(ii) Cash and cash equivalents	12	6.67	1.08	38
(iii) Other bank balances	13	-	292.74	292.74
(iv) Loan	7	203.11	201.86	201.86
(v) Other financial assets	14	-	339.18	84
Other current assets	9	546.52	83.72	-
		2,282.90	9,506.15	8,823.84
TOTAL ASSETS		16,108.45	22,851.27	22,478.37
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	496.60	4,256.18	4,256
Other equity	16	5,562.51	14,984.52	14,169.69
Total equity		6,059.11	10,728.34	9,913.51
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	17	8,213.58	4,674.18	4,717.54
(ii) Others financial liabilities	18	-	4.06	4.06
Provisions	19	-	467.41	343.08
Other non-current liabilities	20	-	0.17	0.17
		8,213.58	5,145.82	5,064.85
Current liabilities				
Financial liabilities				
(i) Borrowings	17	-	7,329.04	8,482
(ii) Trade payables	21	1,221.36	629.17	636
(iii) Other financial liabilities	18	-	17,680.10	15,480
Other current liabilities	20	172.63	1,457.46	1,391
Provisions	19	441.79	1,338.02	1,338
		1,835.78	28,433.79	27,327.03
TOTAL EQUITY AND LIABILITIES		16,108.45	22,851.27	22,478.37

The accompanying notes 1 to 58 form an integral part of the financial statements

This is the balance sheet referred to in our audit report of even date.

For M Sahu & Co.

For Steelco Gujarat Limited

Chartered Accountants

Firm Registration No. 130001W

Anshoo Raj Khare

Director

DIN : 10311752

Anoop Saxena

Managing Director

DIN : 10311727

Partner (Manojkumar Sahu)

M. No. 132613

UDIN : 24132623BKELKT2199

Place: Vadodara

Date: 24th June, 2024

Mahendra Parekh
Chief Financial Officer

Steelco Gujarat Limited
Statement of profit and loss for the Year ended 31st March 2024
CIN No.: L27110GJ1989PLC011748

(INR in lakhs)

Particulars	Note No.	For the years ended	
		31 Mar 2024	31 March 2023
Income			
Revenue from operations	22	30.82	-
Other income	23	332.96	943.66
Total income		363.78	943.66
Expenses			
Cost of materials consumed	24	26.47	-
Changes in inventories - finished goods, work in progress	25	-	-
Employee benefits expense	26	-	147.58
Finance costs	27	313.24	1,172.67
Depreciation and amortisation expense	28	332.04	351.14
Other expenses	29	138.15	112.45
Total expenses		809.90	1,783.84
Loss before exceptional item and tax		- 446.12	- 840.19
Add: Exceptional item	30	16,986.97	-
Profit/(Loss) before tax		16,540.85	- 840.19
Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense		-	-
Profit/(Loss) for the year		16,540.85	- 840.19
Other comprehensive income (OCI)			
Items that will not be reclassified to profit and loss			
Remeasurements of defined benefit plans		-	22.58
Income tax relating to items that will not be reclassified to profit or loss		-	-
Other comprehensive loss for the year		-	22.58
Total comprehensive Profit/(Loss) for the year		16,540.85	- 723.13

Earnings per equity share

Number of Equity Shares (face value of INR 10 each)	4,966,012	42,561,822
Basic and diluted Profit / (Loss) per share (INR)	333.08 -	1.75

The accompanying notes 1 to 58 form an integral part of the financial statements

This is the statement of profit and loss referred to in our audit report of even date.

For M Sahu & Co.

For Steelco Gujarat Limited

Chartered Accountants

Firm Registration No. 130001W

Anshoo Raj Khare
Director
0311752

Anoop Saxena
Managing Director
DIN : 10311727

Partner (Manojkumar Sahu)

M. No. 132613

UDIN : 24132623BKELKT2199

Place: Vadodara

Date: 24th June, 2024

Mahendra Parekh
Chief Financial Officer

Steelco Gujarat Limited
Cash Flow Statement for the Year ended 31st March 2024
CIN No.: L27110GJ1989PLC011748

(INR in lakhs)

Particulars	For the years ended	
	31 Mar 2024	31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	16,540.85	840.19
Adjustments for:		
Depreciation	332.04	351.14
Exceptional Items	- 16,986.97	-
Interest income	- 72.68	44.32
Interest paid	313.24	1,172.64
Provision (Reversal) for doubtful debts	0.29	10.18
Unrealised exchange (gain)/loss	-	586.74
Operating profit/(loss) before working capital changes	126.77	62.71
Adjustments for changes working capital		
Trade receivables	7,014.96	-
Inventories	46.01	-
Other financial assets and other current assets	8,436.19	-
Trade payables	592.19	-
Other financial liabilities and current liabilities	- 10,444.72	-
Provisions	- 1,363.64	-
Cash flow from operating activities post working capital changes	4,407.77	62.72
Income tax paid (net)	-	25.42
Net cash flow from operating activities (A)	4,407.77	37.30
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	- 841.98	13.57
Interest received	72.68	44.32
Net cash flows from investing activities (B)	- 769.30	30.75
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Availment of long term/short term borrowings	3,539.40	1,091.44
Repayment of long term/short term borrowings	- 7,329.04	1,196.33
Interest paid	- 313.24	-
Proceeds from equity shares	470.00	-
Net cash used in financing activities (C)	- 3,632.88	104.89
Decrease in cash and cash equivalents (A+B+C)	5.59	36.84
Cash and cash equivalents at the beginning of the year	1.08	37.92
Cash and cash equivalents at the end of the year	6.67	1.08

Note 1 - The above statement of cash flows has been prepared under the 'indirect method' as set out in 'Ind AS 7: Statement of cash flows'.

Note 2 - Figures in bracket represents cash outflows.

The accompanying notes 1 to 58 form an integral part of the financial statements

This is the cash flow statement referred to in our audit report of even date.

For M Sahu & Co.

For Steelco Gujarat Limited

Chartered Accountants

Firm Registration No. 130001W

Partner (Manojkumar Sahu)

M. No. 132613

UDIN: 24132623BKELKT2199

Place: Vadodara

Date: 24th June, 2024

Anshoo Raj Khare
Director

DIN : 10311752

Anoop Saxena
Managing Director

DIN : 10311727

Mahendra Parekh
Chief Financial Officer

Steelco Gujarat Limited
Statement of changes in equity for the year ended 31 March 2024

A. Equity Share Capital

Particulars	Note No.	(INR in lakhs)	
		Amount	Number of shares
Balance as on 1 April 2022	15	42,561,822	4,256.18
Changes in equity share capital during the year		-	-
Equity shares as at 31 March 2023		42,561,822	4,256.18
Changes in equity share capital during the year		(37,595,810)	3,759.58
Equity shares as at 31 March 2024		4,966,012	496.60

B. Other Equity

Particulars	Share application money pending allotment	Equity component of other financial instruments with shareholder	Reserves and Surplus				Total
			Revaluation surplus	Capital reserve	Retained earnings		
Balance as at 1 April 2022	-	343.22	8,354.76	14,999.23	-	37,866.91	14,169.69
Loss for the year	-	-	-	-	-	840.19	840.19
Additional Deprecation due to Revaluation	-	-	94.48	-	-	-	94.48
Addition due to Revaluation	-	-	-	-	-	94.48	94.48
Change during the Year	-	-	-	-	-	2.77	2.77
Other comprehensive loss for the year	-	-	-	-	-	22.58	22.58
Total comprehensive loss for the year	-	-	94.48	-	-	720.36	814.84
Movement during the year	-	-	-	-	-	-	-
Balance as at 31 March 2023	-	343.22	8,260.28	14,999.23	-	38,587.27	14,984.52
Profit for the year after the exceptional items	-	-	-	-	-	16,540.85	16,540.85
Additional Deprecation due to Revaluation	-	-	94.74	-	-	-	94.74
Addition due to Revaluation	-	-	-	-	-	94.74	94.74
Other comprehensive loss for the year	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	94.74	-	-	16,635.59	16,540.85
Movement during the year	-	343.21	-	4,349.40	-	-	4,006.18
Balance as at 31 March 2024	-	-	8,165.55	19,348.63	-	21,951.67	5,562.51

The accompanying notes 1 to 58 form an integral part of the financial statements

This is the statement of changes in equity referred to in our audit report of even date.

For M Sahu & Co.

Chartered Accountants

Firm Registration No. 130001W

Partner (Manojkumar Sahu)

M. No. 132613

UDIN : 24132623BKELKT2199

Place: Vadodara

Date: 24th June, 2024

For Steelco Gujarat Limited

Anshoo Raj Khare
Director

DIN : 10311752

Anoop Saxena
Managing Director

DIN : 10311727

Mahendra Parekh
Chief Financial Officer

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

4. Property, Plant and Equipment

(INR in lakhs)

Description	Leasehold land (Refer Note No 40)	Buildings (Refer Note No 40)	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Total (A)	Capital work in progress (B)	Total (A+B)
Gross block [Carrying value (at deemed cost)]									
Balances as at 1 April 2022	7,253.25	4,268.85	5,556.60	47.53	31.25	46.55	17,204.03	-	17,204.03
Additions during the year	-	13.56	-	-	-	-	13.56	-	13.56
Capitalised during the year	-	-	-	-	-	-	-	-	-
Reclassified from held for sale	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	7,253.25	4,282.42	5,556.60	47.53	31.25	46.55	17,217.59	-	17,217.59
Additions during the year	-	-	1,077.74	-	-	0.47	1,078.21	-	1,078.21
Capitalised during the year	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	7,253.25	4,282.41	6,634.34	47.53	31.25	47.01	18,295.80	-	18,295.80
Accumulated depreciation									
Balance as at 1 April 2022	13.87	1,867.08	1,994.36	37.58	29.52	32.01	3,974.42	-	3,974.42
Depreciation charge for the year	-	-	195.09	5.52	0.06	1.69	202.36	-	202.36
Amortisation for the year	40.45	107.52	-	-	-	-	147.97	-	147.97
Disposals during the year	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	54.32	1,974.60	2,189.45	43.10	29.58	33.70	4,324.75	-	4,324.75
Depreciation charge for the year	-	108.16	180.71	0.06	0.06	1.67	290.66	-	290.66
Amortisation for the year	40.56	-	-	-	-	-	40.56	-	40.56
Disposals during the year	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	94.88	2,082.76	2,370.17	43.16	29.64	35.37	4,655.98	-	4,655.98
Net block									
Balance as at 31 March 2023	7,198.93	2,307.81	3,367.15	4.43	1.67	12.85	12,892.84	-	12,892.84
Balance as at 31 March 2024	7,158.37	2,199.65	4,264.18	4.37	1.61	11.64	13,639.82	-	13,639.82

➡ The Company has changed its accounting policy w.e.f. 01.04.2022 with respect to Revaluation model for the entire class of asset related to leasehold land and Building and recognised revaluation surplus of Rs.8354.76/- Lakhs. Under existing accounting policy, the company has opted for deemed cost model for entire class of asset related to leasehold land and Building. Under the new accounting policy, the company has changed from deemed Cost model to Revaluation model for the entire class of asset related to leasehold land and Building. The aforesaid change, being in line with the Generally Accepted Accounting Principles, will result into reporting for such obligations on a more realistic basis.

It is to be noted that the revaluation surplus is totally restricted for any distribution to share holders, the primary reason for restricting the use of revaluation surplus is to ensure that reported financial positions accurately reflect the underlying economic realities of the company. Unrealized gains may fluctuate and are not realized until lease agreement period are over or the asset is sold, hence distributing such gains could mislead investors.

➡ **Carrying amount that would have been recognised had the assets been carried under the cost model as on 31.03.2022** (Amounts in Lakhs)

Class of Asset	Amount
Leasehold Land	35.76
Building	1,206.52

➡ The company has considered the fair value as per the Valuation Report prepared by the R.K Patel & Co. for the year end 31 March 2024.

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

(i) Assets acquired under finance lease

During the year 1991-92, the Company acquired under a finance lease from G.I.D.C., land situated at plot No.2, G.I.D.C. estate, N.H.No.8, Palej, Dist. Bharuch, Gujarat (India). The lease period is for 99 years which can be extended for another 99 years at the option of the Company.

(ii) Property, plant and equipment hypothecated as security

Equitable Mortgage(EM) over the entire fixed assets ranking pari- passu. First pari - passu charge over the entire existing fixed assets of the Company including EM over leasehold right (leased by GIDC palej) over factory and admeasuring 241775 SQ MTR in Palej Industrial area consisting of 13, 14, 15, 16, 18, 20, 21, 22, 24tp, 25, 26, 27, 28tp, 35tp, 36/p. 37. 38, 39, 40tp, 43+44+45+46, 47and factory building premises situated thereon within the Village limit of Palej, Baruch , Gujarat Lease period is 99 years. residual period of lease 79 years.

5. Investment Property (Refer Note no 40)

(INR in lakhs)

Description	Buildings	Total
Gross block [Carrying value (at deemed cost)]		
Balances as at 1 April 2022	16.82	16.82
Additions during the year	-	-
Balance as at 31 March 2023	16.82	16.82
Additions during the year	-	-
Balance as at 31 March 2024	16.82	16.82
Accumulated depreciation		
Balances as at 1 April 2022	4.86	4.86
Depreciation charge for the year	0.81	0.81
Amortisation for the year	-	-
Balance as at 31 March 2023	5.68	5.68
Depreciation charge for the year	0.81	0.81
Amortisation for the year	-	-
Balance as at 31 March 2024	6.49	6.49
Net block		
Balance as at 31 March 2023	11.14	11.14
Balance as at 31 March 2024	10.33	10.33

(i) Contractual obligations

There are no contractual obligations to purchase, construct, or develop investment property or for its repair, maintenance, or enhancement.

(ii) Amount recognised in profit and loss for investment properties (leased or otherwise)

(INR in lakhs)

Particulars	For the year ended	For the year ended
	31 March 2024	31 March 2023
Rental income	10.28	311.96
Depreciation	0.81	0.81

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

(iii) Profit from leasing of investment properties 9.47 311.15

(v) Fair value (INR in lakhs)

Particulars	As at	As at
	31 Mar 2024	31 March 2023
Buildings**	234.20	1,188.50

** The company has considered the fair value as per the Valuation Report prepared by the R.K Patel & Co. for the year ended 31 March 2024.

(vi) Estimation of fair value

The fair values of the investment properties have been carried out by an independent valuer. The best evidence of fair value is current prices in an active market for similar properties. The investment properties have been fair valued using the sales comparison method in which due weightage has been given to property rates as evident from sales instances of comparable land and building found upon market enquiry, area, location, nearby civic amenities available etc. This is a Level 2 measurement as per the fair value hierarchy set out in fair value measurement disclosures.

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

6. Intangible Assets

Description	(INR in lakhs)	
	Computer softwares	Total
Gross Block [Carrying value (at deemed cost)]		
Balance as at 1 April 2022	31.16	31.16
Additions during the year	-	-
Balance as at 31 March 2023	31.16	31.16
Additions during the year	-	-
Balance as at 31 March 2024	31.16	31.16
Accumulated Amortisation		
Balance as at 1 April 2022	31.16	31.16
Amortisation for the year	-	-
Balance as at 31 March 2023	31.16	31.16
Amortisation for the year	-	-
Balance as at 31 March 2024	31.16	31.16
Net Block		
Balance as at 31 March 2023	-	-
Balance as at 31 March 2024	-	-

7. Loans

Particulars	(INR in lakhs)			
	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
(Unsecured, considered good)				
Security deposits	33.17	52.72	-	-
Excess Remuneration recoverable from Managing Director (refer note 44)	-	-	203.11	201.86
Total	33.17	52.72	203.11	201.86

8. Income Tax Assets [net]

Particulars	(INR in lakhs)	
	Non-current	
	As at 31 March 2024	As at 31 March 2023
Advance tax (net of provisions)	95.31	263.55
Total	95.31	263.55

9. Other Assets

Particulars	(INR in lakhs)			
	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Balance with Govt Authorities	46.92	124.87	215.66	-
Prepaid expenses	-	-	5.00	0.01
Advance to vendors*	-	-	205.44	81.68
Other advances	-	-	120.42	2.03
Total	46.92	124.87	546.52	83.72

*Advances to Vendors amounting to Rs. 122.90 Lakh are disputed recoverable in nature, the Company has filed suit against them and the Management is confident that they will recover the same.

* During the financial year under audit, the Company made a payment of Rs. 82.10/- Lakhs to Dakshin Gujarat Vij Company Limited (DGVCL) under protest. This payment relates to disputed claim. The Company disputes the validity and/or amount of the payment to DGVCL and has initiated legal proceedings and/or discussions to contest the same. The payment was made under protest to preserve the Company's rights pending resolution of the dispute. As of the reporting date, the outcome of these proceedings is uncertain, and therefore, no provision for this payment has been made in the financial statements.

10. Inventories

Particulars	(INR in lakhs)	
	As at 31 March 2024	As at 31 March 2023
	(Note no ii)	
Raw materials	72.28	45.87
Work-in-progress	-	1.68
Stores and spares	716.00	786.32
Packing materials	3.62	3.72
Capital Spares	369.85	370.16
Total	1,161.74	1,207.75

Steelco Gujarat Limited
Notes to the financial statements for the year ended 31 March 2024

10. Inventories (Contd...)

- i) The amount of inventories recognized as an expense is recognised in costs of materials consumed, changes in inventory, and consumption of stores and spares
ii) Inventory for the year under review is taken and physically verified by the management.
iii) There was no capitalization of borrowings cost to inventories during the years presented.

11. Trade Receivables [unsecured]

Particulars	(INR in lakhs)	
	Current	
	As at 31 March 2024	As at 31 March 2023
Trade receivables considered good	-	-
Trade receivables which have significant increase in credit risk	364.86	7,379.82
Trade receivables - credit impaired	9,803.60	2,233.56
Less: allowance for expected credit loss	-	-
Total	364.86	7,379.82

The movement in allowance for expected credit loss is as follows

Balance as at beginning of the year	2,233.56	2,223.38
Change in allowance for credit impaired during the year	9,803.72	-
Provision for Bad Debt Recovered	-	10.18
Trade receivable written off during the year	-	-
Balance as at the end of the year	12,037.29	2,233.56

(iii) The Company has re-assessed the Trade Receivables(post implementation of Approved Resolution Plan) for the year ended March 31, 2024 and it is of the view that the major part of the Trade Receivables are not recoverable hence, the Company has Provided for Expected credit loss on Trade Receivables for a sum of Rs.9803.72/- lakhs . the same has been treated as Exceptional Item and has been disclosed in the statement of profit & loss account as an Exceptional Items.

Trade Receivable Ageing summary

Particulars	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at 31 March 2024						
(i) Undisputed Trade Receivable - Considered Good	364.86	-	-	-	-	364.86
(ii) Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivable - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivable - credit impaired	-	-	-	-	9,803.60	9,803.60
Total	364.86	-	-	-	9,803.60	10,168.46
Less: Expected Credit Loss (ECL)	-	-	-	-	9,803.60	9,803.60
Total Trade Receivable	364.86	-	-	-	-	364.86
As at 31 March 2023						
(i) Undisputed Trade Receivable - Considered Good	-	-	-	-	-	-
(ii) Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivable - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	7,379.82	7,379.82
(vi) Disputed Trade Receivable - credit impaired	-	-	-	-	2,233.56	2,233.56
Total	-	-	-	-	9,613.38	9,613.38
Less: Expected Credit Loss (ECL)	-	-	-	-	2,233.56	2,233.56
Total Trade Receivable	-	-	-	-	11,846.94	11,846.94

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

12. Cash and cash equivalents

Particulars	(INR in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Cash in hand	0.76	0.89
Balances with banks		
In current accounts	5.90	0.20
Total	6.67	1.08

There are no repatriation restrictions with regard to cash and cash equivalents at the end of the reporting period.

13. Other bank balances

Particulars	(INR in lakhs)	
	As at 31 March 2024	As at 31 March 2023
In fixed deposit accounts with original maturity 12 months or l	-	292.74
Total	-	292.74

14. Other financial assets

Particulars	(INR in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Other receivables	-	339.18
Total	-	339.18

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

15. Equity share capital

Particulars	Number of shares		Amount (INR in lakhs)	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Authorised capital				
Equity shares of INR 10 each	5,000,000	75,000,000	500.00	7,500.00
Total	5,000,000	75,000,000	500.00	7,500.00
Issued and subscribed and fully paid-up capital				
Equity shares of INR 10 each	4,966,012	42,561,822	496.60	4,256.18
Total	4,966,012	42,561,822	496.60	4,256.18

- As per resolution plan as approved by NCLT court, the authorized capital of the company shall stand altered to Rs.5 Crores comprising of 50,00,000 Equity Shares of Rs.10/-each. Consequent to the order, existing authorised capital of Rs.150 Crores is reduced to Rs.5 Crores.

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	Number of shares	Amount (INR in lakhs)
Equity shares as at 1st April 2022	42,561,822	4,256.18
Add: Issued during the year	-	-
Equity shares as at 31 March 2023	42,561,822	4,256.18
Less : Capital Reduction as per NCLT Order	42,561,822	4,256.18
Add: Issued during the year	4,966,012	496.60
Equity shares as at 31 March 2024	4,966,012	496.60

- In accordance with the Approved Resolution Plan, the Company has cancelled the shares of the erstwhile promoters and promoter group shareholders and has also reduced shares of the public shareholders to 2.5 share of Rs. 10 each for every 100 shares held.

- New Equity shares to New promoters were allotted on 31st March 2024, subject to approval of regulatory authority which is pending.

- As per NCLT Order ,the Existing Paid up Equity and Preference Shares issued to promoters and their Associates/Nominees amounting to Rs.78,86,80,220/- (Equity Share of 3,19,21,366 of Rs.10 /-each amounting to Rs.3192.14/- Lakhs, 3,28,20,000 12.5% Cumulative Redeemable Non Convertible Preference Share of Rs.10/-each amounting to Rs. 3282.00/- Lakhs and 34,86,200 7% Cumulative Redeemable Non-Convertible Preference Shares of Rs.10/-each amounting to Rs. 348.62/- Lakhs) have been reduced to "NIL".

Out of the Equity Share Capital of Rs. 496.60/- Lakhs, Public share holding was Rs. 26.60/- Lakhs Keeping the minimum Public holding requirement as per Regulation 19A (d) of the Securities Contract Regulation, Rule 1957, listed Companies are allowed to maintain at least 5% of the Capital instead of minimum required shareholding of at least 25% as the Company's share capital is being restructured as per the Order of NCLT. However, the same is required to be raised to at least 10% within 12 months and subsequently at least 25% Public Share Holding to be achieved within maximum period of 3 Years from the date of short fall.

- As per Resolutions Plan, SRA (Successful Resolution Applicant) was allowed to infuse a sum of Rs.86.15 Crores in the form of capital and loan along with its associates and nominees. Out of the total authorised capital of Rs.5 Crores, SRA along with its affiliates /nominees is required to hold at least 51% equity of the company which will be under lock- in period for a period of 3 Years. Pursuant to Resolution Plan and NCLT Order, out of total infusion of Rs.86.15 Crores, part of that amount i.e Rs.4.7 Crores was converted in to equity and allotted to SRA / its affiliates /lenders and Rs.26.60/- lakhs remains to Public.

(ii) All shares rank equally with regard to the repayment of capital in the event of liquidation of the Company.

(iii) Details of shareholders holding more than 5% shares in the Company *

Particulars	% holding		Number of shares	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
NOGF (Next Orbit Growth Fund)	10%	-	500,000	-
Ultimate Investofin Ltd.	43%	-	2,150,000	-
Sainaisha Traders Private Limited	41%	-	2,050,000	-
Spica Investments Limited (Holding Company),Mauritius which is a subsidiary of Spica Business Corp., Panama.	-	75%	-	31,921,366

- Public shareholders are allotted shares in the ratio of 2.5:100 (2.5 shares for 100 shares held) thus equity share holding of public has been reduced from 1,06,40,456 shares to 2,66,012 shares. Share capital of Rs.4256.18/- Lakhs is been reduced and the same is transferred to Capital Reserve.

- The Company has neither issued bonus shares nor has bought back any shares during the last 5 years.

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

16. Other equity

Particulars	(INR in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Capital reserve:		
Opening balance	14,999.23	14,999.23
Changes during the year:		
Capital Reduction as per NCLT order *(Refer to footnote for details)	4,349.40	-
Closing balance (a)	19,348.63	14,999.23
Retained earnings: (Refer note 40)		
Opening balance	-	38,587.25
Net profit/(loss) for the year	16,540.84	-
Addition due to revaluation	94.74	94.48
Change during the year	-	2.77
Other comprehensive income/(loss)	-	22.58
Closing balance (b)	21,951.67	38,587.25
Equity component of other financial instruments with shareholder:		
Opening balance	343.22	343.22
Capital Reduction as per NCLT Order	-	-
Closing balance (c)	0.00	343.22
Revaluation surplus: (Refer note 40)		
Opening balance	8,260.28	8,354.76
Additional Depreciation due to revaluation	-	94.48
Closing balance (d)	8,165.55	8,260.28
Total other equity (a+b+c+d)	5,562.51	14,984.52

Particulars	(INR in lakhs)		
	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Capital reserve	19,348.63	14,999.23	14,999.23
Retained earnings	-	38,587.25	37,866.91
Equity component of other financial instruments with shareholder	-	343.22	343.22
Revaluation surplus	8,165.55	8,260.28	8,354.76
Total	5,562.51	14,984.52	14,169.69

Nature and purpose of other reserves

*Capital reserve

Capital reserve is created out of the profit earned from some specific transactions of a capital nature. Capital reserve is not available for distribution to the shareholders.

As per NCLT Order dated 31st July 2023, the Existing equity and preference shares issued to promoters and their Associates/Nominees amounting to Rs.43,49,39,761/- have been reduced to "NIL"

Retained earnings

Retained earnings represent the accumulated profits/losses made by the company over the years.

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

16. Other equity (Contd...)

Equity component of other financial instruments with shareholder

This includes the equity component of two classes of cumulative redeemable non-convertible preference shares and interest-free loans from shareholders. On transition to Ind AS, these instruments have been fair valued and the difference between the carrying amount and the fair value has been shown as equity contribution from the shareholder.

Details of Equity component of other financial instruments with shareholder

Particulars	As at	As at
	31 March 2024	31 March 2023
Equity Component Of Preference Shares	-	119.82
Equity Component Of Loan (Unsecured)	-	223.40
Total Equity component of other financial instruments with shareholder	-	343.22

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

17. Borrowings

(A) Non-current

Particulars	Maturity date	Terms of repayment	Coupon/ Interest rate	(INR in lakhs)	
				As at 31 March 2024	As at 31 March 2023
Secured					
(a) Loan From corporate (see note (i) below)	30th September, 2026	36 Monthly repayments starting from 31st October ,2023 to 30th September,2026.	21%	3,500.00	-
(b) Term loans from consortium of banks, secured (inclusive of unpaid interest) (see note (ii) below)	31st March 2021	30 Quarterly repayments starting from 31 December 2013 to 31 March 2021	SBI PLR Rate + 1 %	-	6,558.08
Unsecured					
(a) Loan From Promoters	30.09.2031	Single repayment at the time of maturity	0%	1,203.58	-
(a) Loan From Promoters	30.09.2028	Single repayment at the time of maturity	12%	2,385.00	-
(a) Loan From Promoters	NA	Not prescribed	0%	1,125.00	-
(b) Loans from ultimate holding company (Refer Note (iii))	1st Tranche- 3 December 2020 2nd tranche- 26 December 2021 3rd tranche- 14 February 2022	Single repayment at the time of maturity	0%	-	859.12
	1st Tranche- (New Loan) 30th May 2024			-	259.54
(C) Liability component of compound financial instruments					
(i) 328.20 lakhs 12.50% cumulative redeemable non-convertible preference shares held by holding company	29 September 2026	Single repayment at the time of maturity	12.50%	-	3,282.00
(ii) 34.86 lakhs 7.00% cumulative redeemable non-convertible preference shares held by holding company	21 February 2029	Single repayment at the time of maturity	7%	-	273.53
(iii) Accrued dividend on preference shares stated at (i) and (ii) above				-	6,173.74
Total non-current borrowings				8,213.58	17,406.00
Less : Interest accrued and due on term loan (refer note 18)				-	3,830.19
Less : Recalled term loan (refer note 18)				-	2,727.89
Less : Accrued dividend on preference shares (refer note 18)				-	6,173.74
Non-current borrowings as per balance sheet				8,213.58	4,674.18

(i) Loan from corporate (Security details)

(a) Primary : Hypothecation of entire current assets including Raw Material, Work in process, Finished goods, spares and consumables and receivables etc on pari-passu basis. Extension of Hypothecation of entire current assets (present and future on pari-passu basis).

(b) Collateral : Equitable Mortgage(EM) over the entire fixed assets ranking pari passu. First pari-passu charge on factory building and plant and machinery Pari-passu first charge over the entire existing fixed assets of the Company including EM over leasehold right (leased by GIDC palej) over factory and admeasuring 241775 SQ MTR in Palej Industrial area consisting of 13, 14, 15, 16, 18, 20, 21, 22, 24tp, 25, 26, 27, 28tp, 35tp, 36/p. 37, 38, 39, 40tp, 43+44+45+46, 47and factory building premises situated thereon within the Village limit of Palej, Baruch, Gujarat Lease period is 99 years. residual period of lease 79 years.

(ii) Rupee Term loan

Default in repayment of monthly interest and term loan instalments:

The respective term loans were classified as non-performing assets by consortium banks viz (a) State Bank of India since June 2016, (b) Federal Bank Ltd since December 2016, (c) Canara Bank since July 2018, and (d) Bank of India since November 2018. Further, the consortium banks have recalled the entire credit facilities granted and demanded immediate repayment of the outstanding dues inclusive of interest, etc. The default in respect of principal outstanding as at 31 March 2021 is INR 2711.77 Lakhs (previous year INR 2889.95 Lakhs).

This Rupee Term Loan has been written back after the settlement of the debt as per the order of NCLT dated 31st July 2023.

(iii) Unsecured loan from ultimate holding company:

Unsecured, long-term borrowings from the ultimate holding company, Spica Business Corp. Panama, were interest-free and were repayable at the end of five years from the date of the loan.

This Unsecured long term borrowing has been written back after the settlement of the debt as per the order of NCLT dated 31st July 2023.

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

17. Borrowings (Contd...)

(B) Current

Particulars	Maturity date	Terms of repayment	Coupon/ Interest rate	(INR in lakhs)	
				As at 31 March 2024	As at 31 March 2023
Secured					
Working capital loans from banks, secured (see note (i) below)	Payable on demand	Payable on demand	SBI PLR Rate + 1 % (see note)	-	7,329.04
Total				-	7,329.04

(i) Working Capital Loans from Banks- Secured

Working capital loans from banks comprised of cash credit (CC), export packing facility (EPC), demand loan (DL), and packing credit foreign currency (PCFC). Interest for borrowing in Indian currency through CC, EPC, and DL presently ranging between 10.30 % p.a. to 17.60 % p.a., and for borrowing in foreign currency through PCFC is in the range of Libor + 2.61 % p.a. to Libor + 2.64 % p.a.

(a) Security details

The term loans and short-term credit facilities (working capital loans) from consortium banks were secured by way of joint mortgage of immovable properties of the Company situated at Plot No.2, GIDC Estate, Palej, Dist. Bharuch, Gujarat (India) both present and future, and by way of hypothecation of whole of movable property of the Company, including plant and machinery and other movables, both present and future (save and except inventories and book debts) whether installed or not, or in the course of transit by way of first charge to the lenders (subject to the first charge on specified movable assets created in favor of banks providing working capital finance) to rank on "pari- passu" basis. The borrowings are further secured by way of the hypothecation in favor of the consortium bankers of equity shares of the face value of INR 3192.14 Lakhs of the Company held by Spica Investments Ltd., Mauritius (holding company) and corporate guarantee of Spica Business Corp., Panama (the ultimate holding company). The Gujarat Electricity Board also holds pari passu charge on these assets along with bankers for the Electricity Duty Deferment Loan from GEB disclosed in note 41A(ii)(d) as a contingent liability.

This Working Capital Lona from bank has been witten back after the settlement of the debt as per the order of NCLT dated 31st July 2023.

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

18. Other financial liabilities

Particulars	(INR in lakhs)			
	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Security deposits from customers/vendors	-	4.06	-	-
Deposit from Bidders	-	-	-	15.00
Accrued dividend on preference shares	-	-	-	6,173.74
Recalled term loan	-	-	-	2,727.89
Interest accrued and due on term loans	-	-	-	3,830.19
Interest accrued and due on short term borrowings	-	-	-	1,980.54
Other expenses payable	-	-	-	1,821.93
Amount repayable to holding company against Offer For Sale (OFS)	-	-	-	47.05
Advance Repayable	-	-	-	1,083.76
Total	-	4.06	-	17,680.10

19. Provisions

Particulars	(INR in lakhs)			
	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits*	-	467.41	427.85	30.68
Provision for Expenses Payable	-	-	13.94	-
Provision for import duty (net of ITC)**	-	-	-	1,307.34
Total	-	467.41	441.79	1,338.02

* The Company has made provision for gratuity as per NCLT order.

** During the previous years, the company had recognized probable estimated liability (net of ITC) towards import duty on materials imported under the advance license benefit scheme against which export obligations have not been fulfilled before the period stipulated under the Licence. The movement in provision for import duty is as follows:

Carrying amount at the beginning of the period	1,307.34	1,307.34
Add: Amount written back as per NCLT Order	- 1,307.34	-
Less: amount used / reversed	-	-
Carrying amount at the end of the period	-	1,307.34

20. Other liabilities

Particulars	(INR in lakhs)			
	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Deferred rental income	-	0.17	-	-
Advances from customers	-	-	1.80	945.51
Statutory dues	-	-	12.96	511.95
Excess payment of CIRP Cost	-	-	120.42	-
Department of Gujarat State Tax	-	-	37.45	-
Total	-	0.17	172.63	1,457.46

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

21. Trade payables

Particulars	(INR in lakhs)	
	Current	
	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises *	-	-
Total outstanding dues of creditors other than micro-enterprises and small enterprises		
Acceptances	-	-
Others	1,221.36	629.17
Total	1,221.36	629.17

Trade Payable Ageing summary Particulars	Outstanding for following periods from due date of payment#				
	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at 31 March 2024					
(i) MSME	-	-	-	-	-
(ii) Others	1,221.36	-	-	-	1,221.36
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
As at 31 March 2023					
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	629.17	629.17

Under the Micro, Small & Medium Enterprises Development Act, 2006 which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small & Medium Enterprises. The Company is in the process of compiling relevant information from its suppliers about their coverage under the said Act. Since the relevant information is not readily available, no disclosures have been made in the accounts. However, in the view of the management, the impact of interest, if any, which may subsequently become payable in accordance with the provisions of the act would not be material and the same, if any, would be disclosed in the year of payment of interest.

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

22. Revenue from operations

Particulars	(INR in lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of manufactured goods	30.82	-
Total	30.82	-

23. Other income

Particulars	(INR in lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income	72.68	44.32
Net gain on foreign currency transactions and translation	-	586.74
Rental income	260.28	311.96
Others	-	0.63
Total	332.96	943.66

24. Cost of materials consumed

Particulars	(INR in lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Raw materials:		
Opening stock	45.87	45.87
Add : Purchases	52.88	-
	98.75	45.87
Less : Closing stock	72.28	45.87
	26.47	-
Packing materials consumed	-	-
Total	26.47	-

25. Changes in inventories - Finished goods, Work in progress (including cost incurred on jobwork)

Particulars	(INR in lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Closing stock:		
Work-in-progress	-	1.68
Finished Goods	-	-
Scrap inventories	-	-
Work-in-progress (Cost incurred on jobwork)	-	-
	-	1.68
Opening stock		
Work-in-progress	1.68	1.68
Finished goods	-	-
Scrap inventories	-	-
Work-in-progress (Cost incurred on jobwork)	-	-
	1.68	1.68
Stock movement (a)	1.68	-
Cost of goods produced and sold - Trial run (b)	-	1.68
Total	-	-

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

26. Employee benefits expenses

Particulars	(INR in lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries and wages	-	146.90
Contribution to provident & other funds	-	-
Staff welfare expenses	-	0.67
Total	-	147.58

27. Finance costs

Particulars	(INR in lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expenses - borrowings	1.78	712.77
Interest expenses - others	311.32	16.70
Dividend on redeemable preference shares	-	443.17
Bank commission & charges	0.14	0.03
Total	313.24	1,172.67

28. Depreciation and amortisation

Particulars	(INR in lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment	195.93	255.43
Amortisation of lease hold land	40.56	0.18
Amortisation of and depreciation on investment property	0.81	1.06
Total	237.30	256.67

29. Other expenses

Particulars	(INR in lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Consumption of stores and spares	-	0.38
Other manufacturing expenses	5.24	-
Power and fuel	-	-
Repairs to buildings	1.72	-
Repairs to plant and machinery	4.20	-
Insurance	4.19	8.43
Rates and taxes	0.96	4.82
Conveyance and traveling expenses	0.29	0.01
Professional fees	64.28	41.13
Legal and Licenses fees	0.17	0.05
Other marketing expenses	-	4.29
Security Service Charges	40.76	-
Bad Debts	0.29	10.18
Audit fees	2.00	1.50
Miscellaneous expenses	8.65	41.67
Total	138.15	112.45

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

29. Other expenses (Contd...)

(i) Payments to auditors (includes related to predecessor auditor)

As auditor

Audit fees

2.00

1.50

(ii) CSR expenses

Since the Company is continually making losses since the past few years, it is not required to incur any CSR expenses for both the years presented.

30. Exceptional Items

Particulars	(INR in lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Extinguishment of Financial Creditors after final settlement	3,382.36	-
Extinguishment of Operational Creditors	565.02	-
Advances From Customers Written back	1,118.65	-
Extinguishment of Interest Liabilities	5,810.73	-
Extinguishment expenses Payables & advances	1,778.73	-
Extinguishment Statutory Liabilities	2,013.55	-
Extinguishment Preference share capital Liability	9,729.27	-
Other Non-Current Asset Written-off	1.93	-
Deposits not Receivable Written-off	- 0.71	-
Cash Balance Written-off	- 0.12	-
Bad debt againts sundry debtots	- 7,412.43	-
Total	16,986.97	-

• Pursuant to its order dated 31st July, 2023 ("NCLT Order"), the Adjudicating Authority approved the resolution plan ("Approved Resolution Plan") submitted by M/s Next Orbit Growth Fund ("Resolution Applicant") ("RA") for the Company under Section 30(6) read with Section 31 of the Insolvency and Bankruptcy Code, 2016 ("Code"). As per the terms of Section 31 of the Code, the Approved Resolution Plan shall be binding on the Company, its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan.

• As per Mandatory Contents of the resolution Plan approved in terms of regulation 13 (2) (ca) of the CIRP Regulation, Company is required to pay the total Rs. 8615.00/- Lakhs to its CIRP Cost, Workmen and Employee Dues, Operational Creditors, and Financial Creditors in Compliance with the Provision of section 30(2)(b) of the Code. Remaining Liabilities which was not payable as per the NCLT Order have been transferred to Exception Items and the net impact of the same is being disclosed in the statement of profit and loss account

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

31. Earnings per share*

Basic earnings per share is calculated by dividing the net profit/ (loss) for the year available for equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit/ (loss) for the year available for equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Loss as per the statement of profit and loss available for equity shareholders (INR in lakhs)	16,540.85 -	745.71
Weighted average number of equity shares for EPS computation	4,966,012	42,561,822
Basic and diluted earnings/(loss) per share (INR)	333.08 -	1.75

32. Income tax expense/Deferred Tax

(INR in lakhs)					
Deferred Tax Liability	WDV As per income tax	WDV As per Books	Difference	Tax Rate in %	DTL
Depreciation	2713.37	5430.67	2717.30	26.000	706.50
DTA					706.50
Deferred Tax Assets			Closing Balance	Tax Rate in %	DTA
Unabsorbed depreciation			2,910.53	26.000	756.74
Unabsorbed loss			10,766.07	26.000	2,799.18
DTA					3,555.92
NET DTA/DTL (see note below)					-

DTA is not recognised since the company does not have any reasonable certainty that sufficient future taxable income would be available against which such deferred tax assets can be realised.

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

33. Financial instruments

(A) Accounting Classification and Fair values:

(INR in lakhs)

As at 31 March 2024	Non-Current/ Current	Carrying Amount				Fair value			
		FVTPL	FVTOCI	Cost/ Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets:									
Unquoted Equity instrument	Non-current	-	-	-	-	-	-	-	-
Loans	Non-current	-	-	33.17	33.17	-	-	-	-
Loans	Current	-	-	203.11	203.11	-	-	-	-
Trade receivables	Current	-	-	364.86	364.86	-	-	-	-
Cash and cash equivalents	Current	-	-	6.67	6.67	-	-	-	-
Other bank balances	Current	-	-	-	-	-	-	-	-
Other financial assets	Current	-	-	-	-	-	-	-	-
Total Financial Assets		-	-	607.81	607.81	-	-	-	-
Financial Liabilities:									
Borrowings	Non-current	-	-	8,213.58	8,213.58	-	-	-	-
Others financial liabilities	Non-current	-	-	-	-	-	-	-	-
Borrowings [including current maturities and interest]	Current	-	-	-	-	-	-	-	-
Trade payables	Current	-	-	1,221.36	1,221.36	-	-	-	-
Other financial liabilities	Current	-	-	-	-	-	-	-	-
Total Financial Liabilities		-	-	9,434.94	9,434.94	-	-	-	-
Carrying Amount									
Fair value									
As at 31 March 2023	Non-Current/ Current	FVTPL	FVTOCI	Cost/ Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets:									
Unquoted Equity instrument	Non-current	-	-	-	-	-	-	-	-
Loans	Non-current	-	-	52.72	52.72	-	-	-	-
Loans	Current	-	-	201.86	201.86	-	-	-	-
Trade receivables	Current	-	-	7,379.82	7,379.82	-	-	-	-
Cash and cash equivalents	Current	-	-	1.08	1.08	-	-	-	-
Other bank balances	Current	-	-	292.74	292.74	-	-	-	-
Other financial assets	Current	-	-	339.18	339.18	-	-	-	-
Total Financial Assets		-	-	8,267.40	8,267.40	-	-	-	-
Financial Liabilities:									
Borrowings	Non-current	-	-	4,674.18	4,674.18	-	-	-	-
Others financial liabilities	Non-current	-	-	4.06	4.06	-	-	-	-
Borrowings [including current maturities and interest]	Current	-	-	22,041.41	22,041.41	-	-	-	-
Trade payables	Current	-	-	629.17	629.17	-	-	-	-
Other financial liabilities	Current	-	-	1,868.98	1,868.98	-	-	-	-
Total Financial Liabilities		-	-	29,217.80	29,217.80	-	-	-	-

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

(B) Fair value of the assets measured at amortised cost:

Financial assets and financial liabilities measured at amortised cost for which fair valued are disclosed:

Financial Assets:

The carrying value of trade receivables, loans and advances and other financial assets, cash and cash equivalents, other bank balances etc. are considered to be approximately equal to the fair values.

Financial Liabilities:

Fair values of Loans from banks and others, other financial liabilities, trade payables, etc. are considered to be approximately equal to the carrying values.

34. Financial Risk Management

Risk Management framework

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities are summarised by category in note 35. The main types of risks to which the Company is exposed are market risk, credit risk, and liquidity risk. The Company's risk management is coordinated at its headquarters, in close cooperation with the board of directors, and focuses on actively securing the Company's short to medium-term cash flows by minimizing exposure to volatile financial markets. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial assets such as trade receivables, security deposits, other receivables, etc. The Company's maximum exposure to credit risk is limited to the carrying amount of the following types of financial assets.

- Trade receivables
- Fixed deposits with banks
- Cash and cash equivalents
- Other financial assets measured at amortised cost

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with credit-worthy counterparties.

a) Credit risk management

Cash and cash equivalent and Fixed deposits with banks

Credit risk related to cash and cash equivalents is managed by selecting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

In the case of export sales, credit risk related to trade receivables is mitigated by taking letters of credit from overseas customers or making sales against advances where credit risk is high. The Company closely monitors the credit-worthiness of the customers and only sells goods to credit-worthy parties.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost include security deposits, export incentives receivables, and others. The Company does not see any credit risks from export incentives receivables since the counterparty involved is government authorities. Credit risk related to other financial assets is managed by 'monitoring the recoverability of such amounts continuously, while at the same time, internal control systems in place ensure the amounts are within defined limits.

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

b) Expected credit losses

Company provides expected credit losses based on the following

Trade receivables

The Company recognizes lifetime expected credit losses on trade receivables using a simplified approach and uses historical information to arrive at loss relevant to each category of trade receivables:

(INR in lakhs)							
Ageing (As at 31 March 2024)	0 - 30 days	30 - 60 days	60 - 90 days	90 - 180 days	180 - 365 days	More than one year	Total
Gross carrying amount	-	-	-	-	364.86	9,803.60	10,168.46
Expected credit loss provision	-	-	-	-	-	9,803.60	9,803.60
Carrying amount of trade receivables (Net of impairment)	-	-	-	-	364.86	-	364.86

Ageing (As at 31 March 2023)	0 - 30 days	30 - 60 days	60 - 90 days	90 - 180 days	180 - 365 days	More than one year	Total
Gross carrying amount	-	-	-	-	-	9,613.38	9,613.38
Expected credit loss provision	-	-	-	-	-	2,233.56	2,233.56
Carrying amount of trade receivables (Net of impairment)	-	-	-	-	-	7,379.82	7,379.82

Reconciliation of Expected credit loss provision		(INR in lakhs)
Particulars		
As at 1 April 2022		2,223.38
Changes in provision		10.18
As at 31 March 2023		2,233.56
Changes in provision		7,570.04
As at 31 March 2024		9,803.60

(B) Liquidity risk

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. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which it operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements, and maintaining debt financing plans.

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

35. Financial Risk Management (Contd...)

Maturities of financial liabilities

The tables below analyze the company's financial liabilities into relevant maturity based on their contractual maturities for all non-derivative financial liabilities and the amounts disclosed in the table are the contractual undiscounted cash flows.

(INR in lakhs)					
Contractual maturities of financial liabilities as at 31 March 2024	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Borrowings*	-			8,213.58	8,213.58
Trade payable	1,221.36				1,221.36
Other payables	-	-	-	-	-
Total	1,221.36	-	-	8,213.58	9,434.94

Contractual maturities of financial liabilities as at 31 March 2023	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Borrowings*	208.82	2,468.16	19,198.06	4,881.62	26,715.59
Trade payable	-	-	629.17	-	629.17
Other payables	-	-	1,873.04	-	1,873.04
Total	208.82	2,468.16	21,700.27	4,881.62	29,217.80

* In case of defaulted term loans from banks included in borrowings, contractual maturities are beyond 12 months period, however same has become repayable on demand due to a default event occurring during the year ended 31 March 2023

(C) Market Risk

a) Foreign currency risk

Most of the Company's transactions are carried out in INR. Exposures to currency exchange rates arise from the Company's loan from the holding company, trade receivables in case of export sales, and trade payables denominated in Euro and USD. To mitigate the Company's exposure to foreign currency risk, non-INR cash flows are monitored in accordance with the Company's risk management policies. Generally, the Company's risk management procedures distinguish short-term foreign currency cash flows (due within 6 months) from longer-term cash flows (due after 6 months). Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no further hedging activity is undertaken.

Foreign currency risk exposure:

The Company's significant exposures to foreign currency risk at the end of the reporting period expressed in INR in lakhs are as follows

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	Euro	USD	Euro
Financial assets				
Trade receivables	-	-	7,712.78	21.20
Net exposure to foreign currency risk (assets)	-	-	7,712.78	21.20
Financial liabilities				
Borrowings	-	-	859.12	-
Trade payables	-	-	-	-
Payable for Capital Goods	-	-	-	-
Advance from Customers	-	-	-	-
Net exposure to foreign currency risk (liabilities)	-	-	859.12	-

Sensitivity

The following table illustrates the sensitivity of profit and equity with respect to the Company's financial assets and financial liabilities. For the year ended 31st March 2024, the company assumes a 10%(if any) (31 March 2023: 10%) change in the INR/USD exchange rate and a 10%(if any) (31 March 2023: 10%) change in the INR/EUR exchange rate. Both of these percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Company's foreign currency financial instruments held at each reporting date:

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

Particulars	(INR in lakhs)	
	As at 31 March 2024	As at 31 March 2023
USD sensitivity		
10% (10%) appreciation	-	685.37
10% (10%) depreciation	-	685.37
Euro sensitivity		
10% (10%) appreciation	-	2.12
10% (10%) depreciation	-	2.12

b) Interest rate risk

The Company's policy is to minimize interest rate cash flow risk exposures on long-term financing. As at 31 March 2024, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. Other borrowings i.e. loans from holding companies and redeemable preference shares are at fixed interest rates. The Company does not have any investments in bond or money markets and hence it is not exposed to any interest rate changes in financial assets. The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 1% for the year ended 31 March 2024 (31 March 2023: +/- 1%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

36. Financial Risk Management (Contd...)

(i) Liabilities

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	(INR in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Variable rate borrowing	-	26,715.59
Fixed rate borrowing	-	-
Total	-	26,715.59

Sensitivity analysis

Below is the sensitivity of profit or loss and equity changes in interest rates. Increase in interest rates will have a negative impact on profit and loss and equity. Conversely, a decrease in interest rates will have a positive impact on profit and loss, and equity.

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

Particulars	(INR in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Interest sensitivity		
Interest rates – increase by 100 basis points	-	267.16
Interest rates – decrease by 100 basis points	-	267.16

(ii) Assets

The company's fixed deposits are carried at amortized cost and are fixed rate deposits. 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.

Interest rate risk exposure

Below is the overall exposure of the financial assets:

Particulars	(INR in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Variable rate deposits/ loans	-	-
Fixed rate deposits/ loans	-	345.46
Total	-	345.46

37. Capital management

The Company's capital management objectives are

- to ensure the company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	(INR in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Net debts	8,206.91	26,421.77
Total Other equity	6,059.11	18,991.40
Net debt to equity ratio	135%	-139%

Dividends

Particulars	As at 31	As at 31
	March 2024	March 2023
(i) Dividend on Equity shares	Nil	Nil
(ii) Dividends not recognised at the end of the reporting period	Nil	Nil

Steelco Gujarat Limited

Notes to the financial statements for the year ended 31 March 2024

38. Related parties disclosures

In accordance with the requirements of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures" the name of the related party, related party relationship, transactions, and outstanding balances including commitments where control exists and with whom transactions have taken place during the reported period are as follows:

a) Promotor and its Associates	Next Orbit Growth Fund Ultimate Investofin Limited Sainaisha Traders Pvt Limited
b) Key management personnel (KMP)	
Name of person	Nature of relationship
Mr. Anoop Kumar Saxena	Managing Director (w.e.f 25.10.2023)
Mr. Anshoo Raj Khare	Executive Director (w.e.f 25.10.2023)
Ms. Mukta Alok Prakash Jain	Director (w.e.f 25.10.2023)
Mr. Mahendra Parekh	Chief Financial Officer(w.e.f 15.04.2024)
c) Relatives of KMP	No transaction with relatives
d) Enterprises significantly influenced by Directors and/or their relatives:	None

e) Transactions with related parties (INR in lakhs)

Sr. No.	Nature of transaction	Year	Promotor and its Associates	Fellow subsidiary companies	Enterprise significantly influenced by group of individuals or their relatives who have significant influence over the Company	KMPs and relative of KMP	Total
Transactions during the year							
1	Outsatndng payable of Unsecured Loan						
	Next Orbit Growth Fund	2023-2024	1,125.00	-	-	-	1,125.00
	Sainaisha Traders Pvt Limited	2023-2024	1,203.58	-	-	-	1,203.58
	Ultimate Investofin Limited	2023-2024	2,385.00	-	-	-	2,385.00
2	Allotment of Equity share Capital						
	Next Orbit Growth Fund	2023-2024	50.00	-	-	-	50.00
	Ultimate Investofin Limited	2023-2024	215.00	-	-	-	215.00
	Sainaisha Traders Pvt Limited	2023-2024	205.00	-	-	-	205.00

(f) Remuneration to KMP's

The details of remuneration to key managerial personnel recognised during the year is as below: (INR in lakhs)

Particulars	For the year ended	For the year ended
	31 March 2024	31 March 2023
Short term employee benefit	-	-
Post employment benefit	-	-
Other long term employee benefit	-	-
Total	-	-

39. Contingent liabilities and commitment

(A) Contingent liabilities

Particulars	(INR in lakhs)	
	As at 31 March 2024	As at 31 March 2023
(i) In respect of guarantees given by Banks and/or counter guarantees given by the Company	-	313.99
(ii) Other money for which the company is contingent liable:		
(a) In respect of the demands raised by the Central Excise, State Excise & Service Tax Authority	-	630.57
(b) In respect of Income Tax matters pending before appellate authorities which the Company expects to succeed, based on decisions of Tribunals/Courts.	-	1,031.70
(c) Letters of credit	-	-
(d) Interest on electricity duty deferment loan (for charge created in favour of Collector of Electricity Gandhinagar. The matter is pending before Hon. Gujarat High Court	-	39.80
(e) Labour matters	-	40.80
(f) Liability of import duty on raw materials imported under advance licence benefit scheme against which export obligation remained to be fulfilled over the period stipulated under the licenses / formalities are yet not completed. (net of amount provided for)	-	3,097.15
(g) Interest and penalty on matters disclosed at (f) above and in respect of amount already provided for.	-	Not Ascertained
(h) Interest waived under CDR package, payable under recompense clause (refer note - iv below)	-	1,272.90
(i) Penal interest and other dues in respect of borrowing facilities classified as NPA by bankers (except Canara Bank)	-	Not Ascertained
(j) DFGT liabilities for Non-Fulfillment of EODC Obligation against Advance Licences	-	2,703.56
(k) Different Cases for Central Excise & Customs	-	1,296.70
(l) Cases with State Electricity Board	-	40.85
(m) Bhadreshwar Vidyut Pvt Ltd Court matter pending in NCLT Court	1.22	
Total	1.22	10,468.02

(iii) In respect of Statutory Compliances

• The Company has identified a contingent liability arising from the non-filing of MCA (Ministry of Corporate Affairs) returns after balance sheet dated March 31st, 2019, and Income Tax returns after the financial year ended 2019. As at the reporting date, the Company has not filed the requisite MCA returns with the Registrar of Companies and has not submitted Income Tax returns with the relevant tax authorities. The Company's non-compliance with these statutory requirements may result in penalties, fines, and interest charges being levied by the respective authorities. While the ultimate outcome and financial impact of these contingencies are dependent on future events, including potential negotiations with regulatory authorities, it is reasonably possible that the Company may incur financial liabilities as a consequence of its non-compliance.

• The Company's management and auditors are actively assessing the potential consequences of these contingencies and will continue to monitor developments closely. However, due to the uncertainties surrounding these matters, the financial impact cannot be reliably estimated at this time. Accordingly, no provision has been recognized in the financial statements for the potential liabilities arising from the non-filing of MCA returns. The Company will disclose further developments as and when material information becomes available.

• However, NCLT vide its Order has allowed the company to file the Past income tax returns without any interest and penalties with the benefits of carry-forwards losses and unabsorbed depreciation and also granted other relief in this regards.

(B) Commitments

Particulars	(INR in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Estimated amount of purchase orders remaining to be executed and not provided for (Including GST)	24.27	-
Total	24.27	-

Notes to the financial statements for the year ended 31 March 2024

40. Disclosures related to the Micro, Small and Medium Enterprises.

The Company has not received information from vendors regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 and hence disclosure relating to amount unpaid at the year end together with interest paid/payable under the Act have not been given.

41. The Company has changed its accounting policy w.e.f. 01.04.2022 with respect to Revaluation model for the entire class of asset related to leasehold Land and Building. Under existing accounting policy, the company has opted for deemed cost model for entire class of asset related to leasehold Land and Building. Under the new accounting policy, the company has changed from deemed Cost model to Revaluation model for the entire class of asset related to leasehold Land and Building. The aforesaid change, being in line with the Generally Accepted Accounting Principles, will result into reporting for such obligations on a more realistic basis.

As required by Ind AS - 8 "Accounting Policies, Changes in Accounting Estimates and Errors", the Company has retrospectively restated its Balance Sheet as at 31.03.2023, as at 01.04.2022 and Statement of Profit and Loss for the year coded on 31.03.2023 to give impact for change in accounting policy.

Also, as of March 31, 2024, the Company has reclassified its Investment Property i.e. leasehold land to Property, Plant, and Equipment w.e.f. 01.04.2022. Management has determined that this reclassification more appropriately reflects the nature of the assets and enhances transparency in the financial reporting of the Company's assets.

➡ The impact of changes in the accounting Policy on this financial results are as under:**(Rs. In Lakhs)**

Statement of Assets and Liabilities	31/03/2023	01/04/2022
Increased in class of Asset : Leasehold land and building	8304.15	8356.33
Other Equity	8263.06	8354.76

The aforesaid changes resulted in increase of Leasehold Land & Building under Property Plant & Equipment with consequential increase in the Revaluation Reserves under Other Equity.

(Rs. In Lakhs)

Statement of Profit & Loss	Three Months Periods Ended			Year Ended	
	31/03/2024	31/12/2023	31/03/2023	31/03/2024	31/03/2023
Increased in Depreciation and amortisation expenses	94.47	-	94.47	94.47	94.47
Impact on profit /Loss after exceptional item and before tax	- 94.47	-	94.47	- 94.74	- 94.47
Tax expenses	-	-	-	-	-
Impact on Profit / Loss after exceptional item and before tax	- 94.47	-	94.47	- 94.74	- 94.47
Impact on total comprehensive income /loss	- 94.47	-	94.47	- 94.74	- 94.47
Impact on earning per equity	- 1.91	-	0.93	- 1.91	- 0.17

The aforesaid changes resulted in increase in Depreciation and Amortisation Expenses.

➡ The impact due to reclassification on this financial results are as under:**(Rs. In Lakhs)**

Statement of Assets and Liabilities and profit and loss	31/03/2023	01/04/2022
Increased in class of Asset : Leasehold land	41.08	41.33
Decreased in investment property: Leasehold land	41.08	41.33
Increased in Depreciation and amortisation expenses	0.25	-

The Company does not have a significant impact on the Cash flow statement for the year ended on 31st March, 2023 in view of above restatement.

Steelco Gujarat Limited
Notes to the financial statements for the year ended 31 March 2024

42. Implementation of the Approved Resolution Plan (Plan) has commenced and the following steps have been completed as per the terms of the said Plan:

- The Company has constituted new Board of Directors in place of erstwhile Board of Directors for managing the day- to- day affairs of the Company.
- Following payments are made by the company In F.Y 2023-2024 as per Mandatory resolution Plan prepared in the terms of regulation 13 (2) (ca) of the CIRP Regulation.

Particulars	Amounts
CIRP COST	170.00
Workman/Employee Dues	417.41
Operational Creditors	4.40
Financial Creditors (Bank)	8001.30
Total	8,593.11

43. Approval of Regulatory authority is pending in respect of allotment of New Equity shares .

44. The Company has not performed an impairment assessment as required by Ind AS 38 - 'Impairment of Assets' which requires the Company to determine whether the economic benefit in respect of tangible assets shall be available to the Company in subsequent periods taking into consideration the uncertainty in respect of its plan to monetize its assets. In view of the foregoing, we have not been provided sufficient appropriate evidence about the carrying value of the tangible asset and adjustments required, if any, to standalone financial statements.

45 .The Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") has approved the resolution plan ("Approved Resolution Plan") submitted by M/s Next Orbit Growth Fund III Successful Resolution Applicant ("SRA") vide their order dated July 31, 2023 ("NCLT Order"). Pursuant to the said order Corporate Insolvency Resolution Process ("CIRP") has been completed. The New Management has taken over the operations of the Company from the Resolution Professional ("RP") and is fulfilling the conditions as per NCLT order and the resolution plan submitted. Pursuant to the Approved Resolution Plan, a Monitoring Committee was formed w.e.f. July 31, 2023 to overlook the implementation of the approved resolution plan. Considering the above, the financial statements are being presented on a 'Going Concern' basis.

46. The Company has paid / provided for excess remuneration to the managing director during FY: 2016-17, 2017-18 and 2018-19 without obtaining the approvals in accordance with Section 197 of the Act. The excess remuneration reversed is shown as recoverable from the Managing Director. The matter is disclosed under report on other legal and regulatory requirements section of independent auditor's audit report. The Company has filed suit against the Managing Director for the recovery of the excess amount of remuneration.

Steelco Gujarat Limited**Notes to the financial statements for the year ended 31 March 2024**

47. Confirmation letters have not been obtained from all the parties in respect of Trade Receivable, Other Non-Current Assets, and Other Current Assets. Accordingly, the balances of the accounts are subject to confirmation, recondition, and consequent adjustments, if any.

48. The company has no any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 in F.Y 2023-2024.

49. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

50. The Company has not traded or invested in Crypto currency or Virtual Currency during t

51. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

52. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

53. The Company do not have any such transaction which is not recorded in the books of accounts and that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

54. The company holds all the title deeds of immovable property in its name.

55. There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

56. The company is not declared as wilful defaulter by any bank or financial Institution or other lender.

57. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's

58. Accounting Ratios

Sr No	Particulars	Numerator	Denominator	Current Period	Previous Period
1	Current Ratio	Current Asset	Current Liabilities	1.24	0.33
2	Debt-Equity Ratio	Long Term Debt	Net worth	1.36	- 0.44
3	Debt Service Coverage Ratio	(Net Profit + Non Cash operating expenses+Interest on Long term loans+Other adjustment)	(Total amount of interest & principal of long term loan payable or paid during the year)	N/A	N/A
4	Return on Equity Ratio	Net profit After Tax & Exceptional Item	Net worth	2.73	0.08
5	Inventory Turnover Ratio	Cost of Goods Sold	Average Value of Inventory	0.02	N/A
6	Trade Receivables turnover ratio (in times)	Credit Sales	Average Trade Receivable	0.01	N/A
7	Trade Payable turnover ratio (in times)	Credit Purchase	Average Trade Payable	0.06	N/A
8	Net capital turnover ratio (in times)	Sales	Net Asset	0.01	-
9	Net profit ratio	Net profit After Tax & Exceptional Item	Revenue from Operation	536.69	-
10	Return on Capital employed (in %)	EBIT	Capital Employed	2.78	- 0.03
11	Return on Investment (in %)	Net Return on Investment	Cost of Investment	N/A	N/A

Reason for variance in the above ratios

Increase & decrease in ratio is because of adjustments (write off / write back) of assets and liabilities post take-over of the operations of the Company by the New Management pursuant to the NCLT order.

For M Sahu & Co.
Chartered Accountants
Firm Registration No. 130001W

For Steelco Gujarat Limited

Partner (Manojkumar Sahu)
M. No. 132613
UDIN : 24132623BKELKT2199

Anshoo Raj Khare
Director
DIN : 10311752

Anoop Saxena
Managing Director
DIN : 10311727

Place: Vadodara
Date: 24th June, 2024

Mahendra Parekh
Chief Financial Officer

STEELCO GUJARAT LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

CORPORATE INFORMATION

Steelco Gujarat Limited (the “Company”) is a listed public limited company domiciled in India, incorporated under the Companies Act, 1956. The Company is listed on the Bombay Stock Exchange (BSE). The Company’s commercial production of cold rolled steel products started in 1994 with cold rolling of steel continuous hot dip galvanising line in 1997 and the Continuous Colour Coating Line in 2017. The Company is engaged in manufacturing of GP/GC coil sheets and CR coils and sheets and the factory and office is located at Palej – 392220, Bharuch, Gujarat. The Company is accredited with ISO9001:2000 and ISO 14001:2004 certification on quality management standards for the manufacturing and supply of CR steel sheet/coils/strips, CR galvanized plain/corrugated sheet/coil/strips and pre painted galvanized sheet/coils.

Pursuant to an application made by State Bank of India, the Hon’ble National Company Law Tribunal, Ahmedabad bench (“Adjudicating Authority”), vide its order commencement of the corporate insolvency resolution (“CIR”) process in respect of the company under the provisions of the Insolvency and Bankruptcy Code, 2016 (the “Code”).

Pursuant to its order dated 31st July, 2023 (“NCLT Order”), the Adjudicating Authority approved the resolution plan (“Approved Resolution Plan”) submitted by M/s Next Orbit Growth Fund (“Resolution Applicant”) (“RA”) for the Company under Section 30(6) read with Section 31 of the Insolvency and Bankruptcy Code, 2016 (“Code”). As per the terms of Section 31 of the Code, the Approved Resolution Plan shall be binding on the Company, its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan.

Further, as per the terms of the approved Resolution Plan, a Management Committee/ Supervision Committee (MC/SC) is required to be constituted which shall comprise of three members:

- (a) Two members appointed by the Resolution Applicant or his representative;
- (b) One member appointed by CoC; and
- (c) Resolution Professional,

the Monitoring Committee was accordingly been formed to maintain the Company as a going concern and to supervise the implementation of the Approved Resolution Plan.

The Board of Directors approved the financial statements for the year ended March 31, 2024 and authorized for issue on 24/06/2024.

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”), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act as applicable.

The accounting policies are applied consistently to all the periods presented in the financial statements.

STEELCO GUJARAT LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

ii. **Historical cost convention**

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

- Certain financial assets and liabilities that are measured at fair value;
- Assets held for sale – measured at lower of carrying amount or fair value less cost to sell;
- Defined benefit plans – plan assets 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 (not exceeding twelve months) and other criteria set out in the Schedule III to the Act.

iv. **Functional and presentation currency**

These financial statements are presented in Indian Rupees, which is the Company's functional currency.

v. **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.

2. SIGNIFICANT ACCOUNTING POLICIES

A. Revenue recognition:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from the sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on the delivery of the goods.

The Company satisfies the performance obligation and recognises revenue over time, if one of the criteria prescribed under Ind AS 115 - "Revenue from Contracts with Customers" is satisfied. If a performance obligation is not satisfied over time, then revenue is recognized at a point in time at which the performance obligation is satisfied.

The Company recognises revenue for performance obligation satisfied over time only if it can reasonably measure its progress towards complete satisfaction of the performance obligation. The Company would not be able to reasonably measure its progress towards complete satisfaction of a performance obligation if it lacks reliable information that would be required to apply an appropriate method of measuring progress. In those circumstances, the Company recognises revenue only to the extent of cost incurred until it can reasonably measure outcome of the performance obligation.

STEELCO GUJARAT LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component and consideration payable to the customer like return and trade discounts.

Sales are disclosed excluding net of sales returns and Goods and Service Tax (GST).

Income from operations includes revenue earned on account of job work income which is accounted as per the terms agreed with the customers. Export benefits available under prevalent schemes are accounted to the extent considered receivable.

Other income is comprised primarily of interest income, gain / loss on investments and exchange gain/loss on foreign currency transactions. Interest income is recognized using the effective interest method.

Rental income from investment properties and subletting of properties is recognised on a straight line basis over the term of the relevant leases.

B. Foreign Currency Transactions

i. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (“the functional currency”). The financial statements are presented in Indian rupee, which is the Company’s functional and presentation currency.

ii. Foreign currency transactions and balances

Foreign currency transactions are recorded in the functional currency by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency on the date of the transaction (spot exchange rate).

All monetary items denominated in foreign currency are converted into the functional currency at the year-end exchange rate. The exchange differences arising on such conversion and on settlement of the transactions are recognised in the statement of profit and loss.

Non-monetary items in terms of historical cost denominated in a foreign currency are reported using the exchange rate prevailing on the date of the transaction.

C. Property, Plant and Equipment:

i. Recognition and measurement

Leasehold land and Building are carried at Fair Value. All other items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

STEELCO GUJARAT LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognized in the Statement of Profit and Loss.

If significant parts of an item of property, plant and equipment have different useful life, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the Statement of Profit and Loss.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2016 measured as per the Previous GAAP and use that carrying value as the deemed cost (except to the extent of any adjustment permissible under other accounting standard) of the property, plant and equipment.

ii. Subsequent Expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation or amortisation is provided from the date the assets are ready to be put to use, using straight line method over the estimated useful life of the assets.

Leasehold land is being amortised over the life of the lease. Depreciation on assets under construction commences only when the assets are ready for their intended use.

For determining the appropriate depreciation rates, plant and machinery falling under the category of continuous process plant has been identified on the basis of technical opinion obtained. Depreciation on additions to and disposals of the property, plant and equipment and intangible assets during the period has been provided on pro-rata basis, according to the period each such asset was used during the period except in case of low value items not exceeding INR 10,000/- which are depreciated fully in the period of addition. Depreciation on addition or extension to the existing property, plant and equipment which becomes integral part of that asset is provided on pro-rata basis according to the remaining useful life of the existing asset.

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

Class of Assets	Estimated Useful Life (in years)
Leasehold land	198
Buildings	0 to 45
Plant and equipment (except as stated at*)	0 to 22
Furniture and fixtures	0 to 10
Vehicles	8

STEELCO GUJARAT LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Office equipment	1 to 15
Computer software	3 to 6

*Depreciation on 'work rolls, intermediate rolls and back up rolls' are calculated based on their proportionate usage which is technically evaluated by the company management. Depreciation method, useful life and residual value are reviewed periodically and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

D. Intangible Assets:

Intangible assets include computer software which is stated at cost less accumulated amortisation.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April, 2016 its intangible assets and used that carrying value as the deemed cost of the intangible assets on the date of transition i.e. 1st April, 2016.

E. Investment property

Investment properties are those that are held for long-term rental yields or for capital appreciation or both. Investment property is measured initially at its cost, including related transaction costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company in a period exceeding 1 year and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The useful life has been determined based on technical evaluation performed by the management's expert.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognised as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

F. Leases:

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

(A) Lease Liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

STEELCO GUJARAT LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(B) Right-of-use assets

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement

(A) Lease Liability

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

(B) Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset.

Impairment

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

Short term Lease

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

As a lessor

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

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

G. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured

STEELCO GUJARAT LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

initially at fair value adjusted by transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss)

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

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows under an eligible transaction.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

b) Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
 - Equity instruments measured at fair value through other comprehensive income (FVTOCI)
 - Equity instruments measured at fair value profit or loss (FVTPL)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (the "EIR") method. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

Debt instruments at fair value through other comprehensive income

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b. The asset's contractual cash flows represent SPPI.

STEELCO GUJARAT LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

The Company does not have any debt instruments classified in FVOCI category.

Debt instruments at fair value through profit or loss

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

The Company does not have any debt instruments classified in FVTPL category.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in the OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from the OCI to the statement of profit and loss, even on sale of the investment. However, the Company may transfer the cumulative gain or loss within categories of equity.

c) Classification and subsequent measurement of financial liabilities

All financial liabilities are recognised initially at its fair value adjusted by directly attributable transaction costs.

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. The Company does not have any financial liabilities classified at fair value through profit or loss.

- Financial liabilities measured at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method.

Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

H. Impairment:

i. Non - financial assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite life may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the

STEELCO GUJARAT LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

ii. **Financial assets**

In accordance with Ind AS 109, the Company applies the expected credit loss (“ECL”) model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows ‘simplified approach’ for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the EIR of the instrument. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the statement of profit and loss.

I. **Taxes on Income:**

Income Tax expense comprises of current and deferred tax. Income Tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

(i) Current Tax

Current Tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date

Current tax assets and liabilities are offset if, and only if, the Company:

- a) has a legally enforceable right to set off the recognized amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

STEELCO GUJARAT LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

J. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

STEELCO GUJARAT LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly Observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

K. Inventories:

- i. Finished and Semi-Finished Products produced and purchased by the company are carried at Cost and net realizable value, whichever is lower.
- ii. Work in Progress is carried at lower of cost and net realizable value.
- iii. Raw Material is carried at lower of cost and net realizable value.
- iv. Stores and Spares parts are carried at cost. Necessary provision is made and expensed in case of identified obsolete and nonmoving items.

Cost of Inventory is generally ascertained on the 'Weighted average' basis. Work in progress, Finished and semi-finished products are valued at on full absorption cost basis.

Cost Comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity. Packing Material is considered as finished goods. Consumable stores are written off in the year of Purchase.

L. Cash and Cash Equivalents:

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credits as they are considered an integral part of the Company's cash management.

M. Employee benefits:

A. Short term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, performance incentives, etc. are recognized at actual amounts due in the period in which the employee renders the related service.

STEELCO GUJARAT LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

B. Post-employment benefits

Defined contribution plans:

The Company contributes on a defined contribution basis to Employees' Provident Fund towards post-employment benefits, all of which are administered by the respective Government authorities. The Company has no further obligation beyond making its contribution, which is expensed in the period to which it pertains.

Defined benefit plans:

i. Superannuation plan:

The Superannuation scheme is administered through the Life Insurance Corporation of India (LIC). The liability for the defined benefit plans funded by way of payment of premium as determined by the LIC of India and the same is administered by LIC and the Company has no further obligation beyond making its contribution, which is expensed in the period to which it pertains.

ii. Gratuity plan:

The Company administers the gratuity scheme being unfunded liability. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using projected unit credit method. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in the Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

Leave Entitlements (long-term employee benefit):

The employees of the company are entitled to leave as per the leave policy of the Company. The unfunded liability in respect of unutilized leave balances is provided based on an actuarial valuation carried out by an independent actuary, which is calculated using projected unit credit method as at the year end and charged to the statement of profit and loss.

N. Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

STEELCO GUJARAT LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

O. Provisions and Contingencies:

A provision is recognised when:

- The Company has a present obligation as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

Provisions are measured at the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current 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 finance costs.

The Company does not recognise contingent liabilities but it is disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent asset is not recognised in the financial statements.

P. Earnings per Share:

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share after considering the income tax effect of all finance costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

The Company has not issued any dilutive potential equity shares.

Q. Exceptional items:

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

3. USE OF JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

While preparing financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on the management estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and

STEELCO GUJARAT LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgment, estimates and assumptions are required in particular for:

a) Determination of the estimated useful life of tangible assets

Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

b) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

c) Recognition of deferred tax liabilities

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carryforwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

d) Discounting of financial assets / liabilities

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial assets / liabilities which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.