



# Modern Steels Limited

CORPORATE OFFICE : 98-99, SUB CITY CENTRE, SECTOR 34, CHANDIGARH - 160 022 (INDIA)

Tel : +91-172-2609001, 2609002, FAX : +91-172-2609000

E-mail : info@modernsteels.com, CIN : L27109PB1973PLC003358

Ref: MSL/SECT/BSE

Date: 5<sup>th</sup> September, 2023

M/s. BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai-400001

**Subject: Annual Report of the Company along with  
Notice of 49<sup>th</sup> Annual General Meeting (AGM)**

Dear Sir,

Pursuant to relevant Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report for Financial Year 2022-23 along with Notice of the 49<sup>th</sup> Annual General Meeting of the Company to be held on Wednesday, the 27<sup>th</sup> September, 2023.

The schedule of the events is set as below:

S. No.	Event	Date
1.	Relevant/Cut-off date to vote on AGM resolution	20 <sup>th</sup> September, 2023
2.	Commencement of e-voting	24 <sup>th</sup> September, 2023 (9.00 AM)
3.	End of e-voting	26 <sup>th</sup> September, 2023 (5.00 PM)
4.	Annual General Meeting	27 <sup>th</sup> September, 2023 (02.00 PM)

Please take the above on your record.

Thanking you

Yours truly,

For **MODERN STEELS LIMITED**

**AUTHORISED SIGNATORY**



**SHRUTI JOSHI**

Digitally signed by SHRUTI JOSHI  
Date: 2023.09.05 13:54:05 +05'30'

# NOTICE OF 49<sup>TH</sup> ANNUAL GENERAL MEETING

## NOTICE

Notice is hereby given that the 49<sup>th</sup> Annual General Meeting of the members of Modern Steels Limited will be held on d will be held on Wednesday, the 27<sup>th</sup> September, 2023 at 02:00 p.m. through Video Conferencing / Other Audio Visual Means to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 together with the reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Krishan Kumar Goyal (DIN: 00482035), who retires by rotation at this Annual General Meeting and being eligible has offered himself for reappointment.

### SPECIAL BUSINESS:

3. To approve the material related party transactions with Nabha Commerce Private Limited and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Company be and is hereby accorded to the Board of Directors, to enter into contracts/arrangements/transactions with Nabha Commerce Private Limited, a Related Party under Section 2(76) of the Companies Act, 2013 and Regulation 23 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to sale / purchase of products, goods, materials or services subject to a maximum aggregate transactions of Rs.100 crores in a financial year on such terms and conditions as may be mutually agreed between the Company and Nabha Commerce Private Limited, at arm's length basis and at prevailing market prices.

**RESOLVED FURTHER THAT** the Board of Directors / Key Managerial Personnel be and are hereby authorized to decide upon the nature and value of the products, goods, materials or services to be transacted with Nabha Commerce Private Limited, within the aforesaid limit.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or a Committee thereof and/or Key Managerial Personnel, be and are hereby, authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company."

4. To re-appoint Mr. Krishan Kumar Goyal (DIN: 00482035) as Chairman & Managing Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 200 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such other approvals as may be required, approval of the members be and is hereby accorded to re-appoint Mr. Krishan Kumar Goyal (DIN: 00482035) as Chairman & Managing Director of the Company, liable to retire by rotation, retrospectively with effect from 1<sup>st</sup> April, 2023 till the conclusion of Annual General Meeting to be held in year 2026, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting and as approved by the Nomination & Remuneration Committee, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination & Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and remuneration as it may deem fit and as may be acceptable to Mr. Krishan Kumar Goyal, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To re-appoint Prof. Satish Kumar Kapoor (DIN: 00009122) as a non-executive Independent Director for second term and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Prof. Satish Kapoor (DIN:00009122), who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible and



fulfilling the criteria of independence as provided in the Act and the Listing Regulations, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation notwithstanding that he has attained the age of 75 years, to hold office for a second term of 3 (three) consecutive years on the Board of the Company from the conclusion of the 49<sup>th</sup> Annual General Meeting (2023) till the conclusion of the Annual General Meeting to be held in the year 2026 of the Company.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and are hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”.

- Appointment of Prof. Anupama Sharma as a Non-Executive Independent Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 and the rules framed there under read with relevant Schedules of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Prof. Anupama Sharma, who was appointed as a non-executive Independent Director (Additional Director) of the Company by the Board of Directors with effect from 11th August, 2023, pursuant to the provisions of Section 149(6) and 161(1) and other applicable provisions of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013, from a Member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 3 consecutive years till the conclusion of AGM to be held in the year 2026. ”

By order of the Board of Directors  
For Modern Steels Limited

Deepa  
Company Secretary

Place: Chandigarh  
Dated: 11th August, 2023

**Registered Office:**  
G.T. Road, Mandi Gobindgarh,  
Distt. Fatehgarh Sahib, Punjab -147 301

**CIN:** L27109PB1973PLC003358  
**Email:** secretarial@modernsteels.com  
**Website:** www.modernsteels.com  
**Phone:** (0172) 2609001/2, **Fax:** (0172) 2609000

#### NOTES:

- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the Special Business to be transacted at the 49<sup>th</sup> Annual General Meeting (AGM) under Item No. 3, 4, 5 and 6 of the Notice, is annexed hereto.
- In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 03/2022 dated May 05, 2022 and Circular No. 10/2022 dated December 28, 2022 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. However, for all the purpose the venue for above said Annual General Meeting held through Video Conferencing (VC) or other audio visual means (OAVM) shall deemed to be the registered office of the Company.
- Pursuant to the Circular No. 14/2020 dated April 08, 2020, MCA Circular No. 02/2021 dated January 13, 2021, MCA Circular No. 03/2022 dated May 05, 2022 and Circular No. 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

## NOTICE OF 49<sup>TH</sup> ANNUAL GENERAL MEETING

6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, May 05, 2022 and December 28, 2022, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.modernsteels.com](http://www.modernsteels.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, MCA Circular No. 2/2021 dated January 13, 2021 and MCA Circular 03/2022 dated May 05, 2022 and MCA Circular 10/2022 dated December 28, 2022.
9. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
10. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking reappointment at the Annual General Meeting is annexed hereto.
11. Members who wish to obtain any information about the Company or view the Accounts for the financial year ended 31<sup>st</sup> March, 2023, may send their queries at least 10 days before the Annual General Meeting at Company's Corporate Office at SCO 98-99, Sub-City Centre, Sector 34, Chandigarh 160022.
12. The Register of Members and Share Transfer Books of the Company will remain closed from 21<sup>st</sup> September, 2023 to 27<sup>th</sup> September, 2023 (both days inclusive).
13. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, etc.
  - **For Shares held in electronic form:** to their Depository Participant
  - **For Shares held in physical form:** to the Company/ Registrar and Transfer Agent in Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2021/655 dated November 03, 2021.
14. Members are requested to note that SEBI vide its Circular dated 25<sup>th</sup> January, 2022 has mandated the listed companies to issue securities in de-materialised form only while processing service requests viz. issue of duplicate share certificate, claim from unclaimed suspense account; renewal/ exchange of share certificate; endorsement; sub division/ splitting of share certificates; consolidation of share certificates/ folios; transmission and transposition. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4.
15. In terms of SEBI notification dated 25<sup>th</sup> of June, 2022, SEBI has mandated that all requests for transfer of securities including transmission and transposition be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
16. As per Section 72 of the Act and SEBI circular dated 03.11.2021, the facility for making nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are re-quested to register the same by submitting Form SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website [www.modernsteels.com](http://www.modernsteels.com) and from the website of Company's Registrar and Transfer Agents at [www.mcsregistrars.com](http://www.mcsregistrars.com). Members are requested to submit the said details to their DPs in case the shares are held by them in the dematerialized form and the Company's RTA in case the shares are held in physical form.
17. As per the provisions of the Companies Act, 2013 and the rules made thereunder and the Regulation 36(1) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Shareholders can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company.

Shareholders who have not registered their e-mail address with the Company can now register the same by





submitting duly filled-in 'E-Communication Registration Form' attached at the end of this report with MCS Share Transfer Agent Limited/ Investors Service Department of the Company. The members holding shares in electronic form are requested to register their e-mail addresses with their Depository Participants only.

Even after registering for e-communication, the Shareholders of the Company are entitled to receive such communication in physical form, upon request.

18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company /MCS Share transfer Agent Limited.

19. Soft copy of the Annual Report for the financial year 2022-23 is being sent to all the members, whose email IDs are registered with the Company/Depository Participant(s) for communication purposes.

Pursuant to MCA circular 10/2022 dated 28<sup>th</sup> December, 2022 and SEBI circular SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated 05<sup>th</sup> January, 2022, the physical copies of the notice of 31<sup>st</sup> Annual General Meeting of the company are not being sent to the members.

20. Soft copy of the Notice of the 49<sup>th</sup> Annual General Meeting of the Company, inter-alia, indicating the process and manner of remote e-voting is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes

Pursuant to MCA circular 10/2022 dated 28<sup>th</sup> December, 2022 and SEBI circular SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated 05<sup>th</sup> January, 2022, the physical copies of the notice of 49<sup>th</sup> Annual General Meeting of the company are not being sent to the members.

21. Members may also note that the Notice of the 49<sup>th</sup> Annual General Meeting and the Annual Report for the financial year 2022-23 will also be available on the Company's website [www.modernsteels.com](http://www.modernsteels.com) for their download.

For any communication, the members may also send requests at email ID: [secretarial@modernsteels.com](mailto:secretarial@modernsteels.com)

22. Procedure for "Remote E-Voting" pursuant to provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members, facility to exercise their right to vote on resolutions proposed to be considered at the 49<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may

be transacted through remote e-voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

(i) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

**The remote e-voting period begins on 24<sup>th</sup> September, 2023 at 09:00 A.M. and ends on 26<sup>th</sup> September, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 20<sup>th</sup> September, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 20<sup>th</sup> September, 2023.**

### How do I vote electronically using NSDL e-Voting system?

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

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

#### A) Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the " <b>Beneficial Owner</b> " icon under " <b>Login</b> " which is available under ' <b>IDeAS</b> ' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on " <b>Access to e-Voting</b> "

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under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

- If you are not registered for IDEAS e-Services, option to register is available at <https://eservices.nsd.com>. Select **"Register Online for IDEAS Portal"** or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholder/Member" section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
- Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience.

**NSDL Mobile App is available on**



App Store



Google Play




Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> </ol>
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	<ol style="list-style-type: none"> <li>If the user is not registered for Easi/ Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will au-thenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
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Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

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

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.



- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

- Your User ID details are given below :

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

- Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
  - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in

physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

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

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/

# NOTICE OF 49<sup>TH</sup> ANNUAL GENERAL MEETING

Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sangerassociates@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.co.in

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

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

access e-Voting facility.

## **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

## **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

- Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at secretarial@modernsteels.com. The same will be replied by the company suitably.





23. You can also update your mobile number and e-mail id in the user profile details of the folio, which may be used for sending future communication(s).
24. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. 20<sup>th</sup> September, 2023.
25. Mr. Rajeev Kumar Sanger, Practising Company Secretary (Membership No. ACS 58369) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
26. The scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than two days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in the favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
27. The Chairman or a person authorised by him in writing shall declare the result of the voting forthwith. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.moderndairies.com and on the website of NSDL and communicated to the BSE Limited.
28. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection, at the Registered Office of the Company, during normal business hours (9:00 AM to 5:00 PM) on all working days (except on public holidays), upto the date of the Annual General Meeting.

By order of the Board of Directors  
For Modern Steels Limited

Place: Chandigarh  
Dated: 11th August, 2023

Deepa  
Company Secretary

**Registered Office:**

G.T. Road, Mandi Gobindgarh,  
Distt. Fatehgarh Sahib, Punjab -147 301  
CIN: L27109PB1973PLC003358

**Email:** secretarial@modernsteels.com

**Website:** www.modernsteels.com

**Phone:** (0172) 2609001/2, **Fax:** (0172) 2609000

**STATEMENT PURSUANT TO SECTION 102 OF THE  
COMPANIES ACT, 2013 ("the Act")**

**ITEM NO. 3**

Nabha Commerce Private Limited is a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 23 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee of Directors and the Board of Directors of the Company in their meeting approved the related

party transactions with Nabha Commerce Private Limited for sale, purchase of goods and to provide / avail services to / from Nabha Commerce Private Limited, a related party, subject to a maximum aggregate transactions of Rs.100 crores in a financial year.

Since the transactions with Nabha Commerce Private Limited are estimated to be upto Rs.100 crores in a financial year, the transactions are required to be approved by the shareholders as an Ordinary Resolution. The said transactions are in the ordinary course of business of the Company and at arm's length basis.

Other details as required as per the Companies (Meetings of Board and its Powers) Rules, 2014.

- (a) Name of Related Party: Nabha Commerce Private Limited
- (b) Name of Director or Key Managerial Personnel who is related: Mr. Krishan Kumar Goyal, Chairman and Managing Director of the Company.
- (c) Nature of relationship: Mr. Krishan Kumar Goyal and his relatives are the shareholders of Nabha Commerce Private Limited.
- (d) Material Terms of contracts/arrangements/ transactions: Sale / purchase of scrap/rolled products on arm's length basis.
- (e) Monetary value: Estimated amount Rs.100 crores in a financial year.
- (f) Any other information relevant or important for the members to make a decision on proposed transaction: Nil

The copies of contract setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

Accordingly, consent of the members is sought for passing the Ordinary Resolution as set out at Item No. 3 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives except Mr. Krishan Kumar Goyal along with their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

**ITEM NO. 4**

Mr. Krishan Kumar Goyal was appointed as Chairman & Managing Director of the Company w.e.f 1<sup>st</sup> April, 2020 for a period of three years at a salary of Rs. 2,50,000/- as per the provisions of the Companies Act, 2013.

The Board of Directors of the Company at its meeting held on 12<sup>th</sup> May, 2023 has, subject to the approval of the shareholders, re-appointed Mr. Krishan Kumar Goyal (DIN: 00482035) as Chairman & Managing Director of the Company, liable to retire by rotation, retrospectively with effect from 1<sup>st</sup> April, 2023 till the conclusion of Annual General Meeting to be held in 2026 on terms and conditions including remuneration as recommended by the Nomination & Remuneration Committee of the Board and approved by the Board.

# NOTICE OF 49<sup>TH</sup> ANNUAL GENERAL MEETING

It is proposed to seek the members approval for the re-appointment and remuneration payable to Mr. Krishan Kumar Goyal as Chairman & Managing Director of the Company, in terms of the applicable provisions of the Act.

The Board of Directors while approving appointment of Mr. Krishan Kumar Goyal had also approved remuneration by way of salary and perquisites for a period of three years from the date of appointment as given herein below:

## **TERMS & CONDITIONS:-**

### **1. SALARY:**

Rs. 2,00,000/- (Rupees Two Lakhs Only) per month with such annual increments / increases as may be decided by the Board of Directors from time to time.

### **2. PERQUISITES**

- (i) Accommodation: Free furnished residential accommodation with gas, electricity, water and furnishings, etc.
- (ii) Gratuity: Payable at the rate not exceeding half a month's salary for each completed year of service as per rules of the Company.
- (iii) Leave: As per the rules of the Company but not exceeding one month's leave with full salary for every 11 months of service.
- (iv) Medical Reimbursement: Reimbursement of medical expenses incurred for self and family.
- (v) Personal Accident Insurance.
- (vi) Car: Free use of Company's car for Company's work as well as for personal purposes along with driver.
- (vii) Telephone: Telephone and other Communication facilities at Company's cost.
- (viii) Insurance: Cost of Insurance cover the risk of any financial liability or loss because of any error of judgment, as may be approved by the Board of Directors from time to time.
- (ix) Reimbursement of Expenses: Reimbursement of all expenses incurred by Mr. Goyal during the course of and in connection with the business of the Company.
- (x) Others: Subject to any statutory ceilings, Mr. Krishan Kumar Goyal may be given any other allowances, perquisites and facilities as the Board of Directors may decide from time to time.

The terms and conditions can be varied with mutual agreement of both parties subject however to the stipulation that the changes should be in conformity with the provisions of the Companies Act, 2013 read with Schedule V or any amendment thereof.

### **3. MINIMUM REMUNERATION**

In the event of loss or inadequacy of profits in any financial year during the tenure of appointment, Mr. Krishan Kumar Goyal shall, subject to the approval of shareholders, be

paid remuneration by way of salary and perquisites as set out above, as minimum remuneration, subject to restrictions, if any, set out in schedule V of the Companies Act, 2013, from time to time.

Mr. Krishan Kumar Goyal is also Chairman & Managing Director of M/s. Modern Dairies Limited. He is entitled to a salary of Rs. 4,25,000 (Rupees Four Lacs Twenty Five Thousands Only) per month plus perquisites in that Company subject to the conformity with provisions of schedule V.

Mr. Krishan Kumar Goyal satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment.

He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Krishan Kumar Goyal under Section 190 of the Companies Act, 2013.

Disclosures under Regulation 36(3) of SEBI(Listing Obligations & Disclosure Requirements) Regulations, 2015 are annexed hereto.

The Documents referred herewith and explanatory statement are open for inspection by any member at the registered office of the Company during business hours on any working day of the Company upto and including the date of meeting.

None of the Directors except Mr. Krishan Kumar Goyal are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The relatives of Mr. Krishan Kumar Goyal may be deemed to be interested in the resolution set out respectively at Item No. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

### **ITEM NO. 5**

Prof. Satish Kumar Kapoor (DIN 00009122) was appointed as Independent Director on the Board of the Company at the 46<sup>th</sup> Annual General Meeting of the company held on 28<sup>th</sup> December, 2020 pursuant to the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 to hold office for a period of three consecutive years up to the date of 49<sup>th</sup> Annual General Meeting ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Companies Act, 2013).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended reappointment of Prof. Satish Kumar Kapoor for a second term of 3 (three) consecutive years on the Board of the Company.



The Board on May 12, 2023, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Prof. Satish Kumar Kapoor would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint him as Independent Director of the Company who shall not be liable to retire by rotation and to hold office for a second term of 3 (three) consecutive years upto the conclusion of the 52<sup>nd</sup> Annual General Meeting on the Board of the Company in terms of Sections 149(10) and 149(11) of the Companies Act, 2013 and in accordance of other applicable laws.

The Company has received from Prof. Satish Kumar Kapoor (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act, (iii) Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations') and (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he is not debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

Details of Directors whose re-appointment as Independent Directors is proposed at Item Nos. 5 is provided in the "Annexure" to the Notice pursuant to the Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Copy of draft letters of appointment of Prof. Satish Kumar Kapoor setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

Accordingly, consent of the Members is sought for passing a Special Resolution as set out at Item No. 5 of the Notice for appointment of Prof. Satish Kumar Kapoor as a Non-Executive Independent Director for a period of 3 consecutive years from the conclusion of this Annual General meeting and upto the conclusion of AGM to be held in year 2026. Further, in terms of Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Members by way of Special Resolution is also required for continuation of

a Non-Executive Director beyond the age of seventy five years. This Special Resolution, once passed, shall also be deemed as your approval under the aforesaid Regulation, for continuation of Mr. Satish Kumar Kapoor as an Independent Director beyond the age of seventy five years.

The Board of Directors of the Company in its Board Meeting held on May 12, 2023 has approved the above proposal and recommended passing of the proposed Special Resolutions as contained in Item no. 5 of the Notice, by members of the Company.

Except Prof. Satish Kumar Kapoor for himself and through his relatives to the extent of their shareholding, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and/or their relatives are in anyway concerned or interested financially or otherwise in the aforesaid Resolutions.

## ITEM NO. 6

The Board of Directors of the Company appointed Prof. Anupama Sharma as Additional Non Executive Independent Director of the Company not liable to retire by rotation w.e.f 11th August, 2023, pursuant to the provisions of Section 161(1) and Section 149(6) of the Companies Act, 2013, and the rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Prof. Anupama Sharma is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director along with Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that she is not debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority of the Act. The Company has received notice in writing from a member under Section 160 of the Act proposing her candidature for the office of Director of the Company.

The Company has also received declaration from her that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Prof. Anupama Sharma fulfills the conditions for appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Prof. Anupama Sharma is independent of the management of the Company.

Disclosures under Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are annexed hereto.

## NOTICE OF 49<sup>TH</sup> ANNUAL GENERAL MEETING

Copy of the draft letter for appointment of Prof. Anupama Sharma as an Independent Director setting out the terms and conditions is available for inspection by Members at the Registered Office of the Company.

Accordingly, consent of the Members is sought for passing a Special Resolution as set out at Item No. 6 of the Notice for appointment of Prof. Anupama Sharma as a Non-Executive Independent Director for a period of 3 consecutive years w.e.f 27th September, 2023 upto the conclusion of AGM to be held in year 2026.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives, except Prof. Anupama Sharma to whom the resolution relates, is concerned or interested, financially or otherwise, in the Resolution set out at item no. 6 of the notice.

By order of the Board of Directors  
For Modern Steels Limited

Place: Chandigarh  
Dated: 11<sup>th</sup> August, 2023

Deepa  
Company Secretary

**Registered Office:**

G.T. Road, Mandi Gobindgarh,  
Distt. Fatehgarh Sahib, Punjab -147 301

**CIN:** L27109PB1973PLC003358

**Email:** [secretarial@modernsteels.com](mailto:secretarial@modernsteels.com)

**Website:** [www.modernsteels.com](http://www.modernsteels.com)

**Phone:** (0172) 2609001/2, **Fax:** (0172) 2609000





INFORMATION REGARDING DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT IN ANNUAL GENERAL MEETING FIXED ON WEDNESDAY, THE 27<sup>TH</sup> SEPTEMBER, 2023 AT 02:00 P.M. PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

## ITEM NO. 2, 4

1. **Name of the Director** : Mr. Krishan Kumar Goyal  
**Date of Birth** : 06.09.1956  
**Date of Appointment** : 02.10.1978  
**Re-appointment** : 01.04.2020

**Resume and expertise in specific functional area** : Mr. Krishan Kumar Goyal is energetic and dynamic person. He has a vast experience in the steel business and is well versed with the modern management practices. He joined the Board as Director in October, 1978 and has been the Managing Director of the Company since 1<sup>st</sup> July, 1986.

### List of outside Directorships held :

- i) Modern Dairies Limited
- ii) Chandigarh Finance Private Limited
- iii) Bharat Forgings Private Limited

**Chairman/Member of the Committee of the Board of Directors of the Company** : Nil

**Shareholding in the Company** : Mr. Krishan Kumar Goyal is holding 24,96,179 equity shares in the Company.

**Relationship with other Directors** : Not Applicable.

## ITEM NO. 5

2. **Name of the Director** : Prof. Satish Kapoor  
**Date of Birth** : 22.10.1946  
**Date of Appointment** : 14.10.2020

**Brief Resume and expertise in specific functional area** : Prof. Satish Kumar Kapoor, aged 76 years has rich knowledge in International Marketing and Logistics. He has retired as Chairman of University Business School, Panjab University, Chandigarh and was Dean of Faculty of Management. He has got a rich experience in the field of engineering, management and corporate governance.

**Qualification** : Engineering graduate from I.I.T. Madras, M.B.A. from State University of New York and Doctorate from Panjab University, Chandigarh.

**List of outside Directorships held** : Nil

**Chairman/Member of the Committee of the Board of Directors of the Company** :

Audit Committee – Chairman  
Stakeholders Relationship Committee – Chairman  
Nomination & Remuneration Committee – Chairman

**Chairman/Member of the Committee of Directors of other Companies** : Nil

**Shareholding in the Company** : As on 31<sup>st</sup> March 2023, Prof. Satish Kapoor holds Nil Equity Shares of the Company.

**Relationship with other Directors** : Not Applicable.

## ITEM NO. 6

3. **Name of the Director** : Prof. Anupama Sharma  
**Date of Birth** : 10.04.1972  
**Date of Appointment** : 11th August, 2023

**Brief Resume and expertise in specific functional area** : Prof. Anupama Sharma, Dean Alumni Relations, Panjab University and Professor Dr. SSB University Institute of Chemical Engg. & Tech., Panjab University, Chandigarh. Also, Coordinator, Energy Research Centre, Panjab University. She has more than 23 years of Teaching and Research experience.

seShe has Delivered Keynote / Invited Lectures at more than 27 National/ International Conferences/ Seminars and also Guided 7 doctoral candidates and currently 8 in progress. Also supervised more than 50 M.Tech./M.Sc. scholars. She has Published Two Books by International Publishers (By McGraw Hill and Pearson Education) and More than 75 research papers in high impact, Scopus/Web of Science Indexed International Journals.

**Qualification** : B.E., Chemical Engineering, M.E., Chemical Engineering, M.B.A., Finance, Ph.D, Chemical Engineering

**List of outside Directorships held** : NIL

**Chairman/Member of the Committee of the Board of Directors of the Company** :

Audit Committee – Member  
Stakeholders Relationship Committee – Member  
Nomination & Remuneration Committee – Member

**Chairman/Member of the Committee of Directors of other Companies** : NIL

**Shareholding in the Company** : NIL

**Relationship with other Directors** : NIL

49<sup>TH</sup>

ANNUAL REPORT  
2022-2023



**MODERN STEELS LIMITED**



**BOARD OF DIRECTORS**

Chairman and Managing Director  
Mr. Krishan Kumar Goyal

Prof. Satish Kumar Kapoor, Independent Director  
Dr. Avtar Krishan Vashist, Independent Director  
Dr. Meena Sharma, Independent Director  
Prof. Anupama Sharma Independent Director

**CHIEF FINANCIAL OFFICER**

Mr. Suresh Kumar Puri

**COMPANY SECRETARY**

Ms. Deepa

**AUDITORS**

M/s. APT & CO LLP  
Chartered Accountants

**CORPORATE OFFICE**

SCO 98-99, Sub City Centre,  
Sector 34, Chandigarh-160 022, India

**REGISTERED OFFICE**

G.T. Road, Mandi Gobindgarh - 147 301  
Distt. Fatehgarh Sahib, Punjab, India

**REGISTRARS & SHARE TRANSFER AGENTS**

M/s. MCS Share Transfer Agent Limited  
F-65, First Floor, Okhla Industrial Area, Phase 1,  
New Delhi-110 020

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## **DIRECTORS' REPORT**

Dear Members,

Your Directors hereby present their 49<sup>th</sup> Annual Report and Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2023.

As the Members are aware that, the manufacturing business of the Company had been sold in the last financial year. The Company is working out on the future course of business.

### **DIVIDEND**

The Company has not recommended any dividend for the year under review.

### **DEPOSITS**

The Company has neither accepted nor invited any deposit from the public and hence directives issued by Reserve Bank of India and the provisions of Chapter V (Acceptance of deposits by Companies) of the Companies Act, 2013 and rules framed there under are not applicable for the year under review.

### **TRANSFER TO RESERVES**

Considering the financial position of the Company, no amount has been transferred to the General Reserves of the Company during Financial Year 2022-23.

### **SHARE CAPITAL**

The paid up equity share capital is Rs. 14,40,00,000/- divided into 1,44,00,000 equity shares of Rs. 10/- each and there was no change in capital structure during the financial year 2022-23.

### **CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSIONS & ANALYSIS**

A separate report on Corporate Governance and Management Discussions & Analysis is attached herewith and forms part of this report.

### **DIRECTORS**

Mr. Krishan Kumar Goyal (DIN: 00482035), Chairman & Managing Director of the Company was appointed for a period of three consecutive years w.e.f 1<sup>st</sup> April, 2020 and is to be further reappointed with effect from 1<sup>st</sup> April, 2023 till the conclusion of Annual General Meeting to be held in year 2026 in terms of the provisions of Companies Act, 2013.

In pursuance of Section 152 of the Companies Act, 2013, at-least two-third of the Directors (excluding Independent Directors) shall be subject to retirement

by rotation. One-third of such Directors must retire from office at each AGM and a retiring director is eligible for re-appointment. Accordingly, Mr. Krishan Kumar Goyal, Chairman & Managing Director, (DIN: 00482035), shall retire by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment. In view of his considerable experience and expertise, Directors of your Company recommends his reappointment as Director of Company.

Pursuant to the provisions of Section 149 and 152 of the Companies Act, 2013, Prof. Satish Kumar Kapoor (DIN: 00009122) was appointed as an Independent Director of the Company w.e.f 28th December, 2020 for a period of three years till the conclusion of Annual General Meeting to be held in the year 2023 and is to be further reappointed for a second term of three consecutive years commencing from this Annual General Meeting till the conclusion of Annual General Meeting to be held in year 2026 in terms of the provisions of Companies Act, 2013.

Pursuant to provisions of Section 161 and Section 149 of the Companies Act, 2013, Prof Anupama Sharma was appointed as Non-Executive Independent Director on 11<sup>th</sup> August, 2023 for a period of 3 years. She will hold office as an Additional (Independent) Director upto the ensuing Annual General Meeting. After the confirmation from the Shareholders in the ensuing AGM, she will be regularized as an Independent Director upto the conclusion of AGM to be held in 2026.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, Dr. Meena Sharma (DIN: 07241589) was appointed as Independent Director of the Company w.e.f 26th September, 2015 and was further re-appointed for his second term of a period of five years w.e.f 26th September, 2018 and hence her tenure is expiring in this Annual General Meeting.

The Board placed on record its appreciation for the valuable contribution and the services rendered by Dr. Meena Sharma during her tenure as Director. The Board expressed its gratitude for her valuable guidance during association with the company

### **KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of Section 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Krishan Kumar Goyal

(Chairman & Managing Director), Mr. Suresh Kumar Puri\* (Chief Financial Officer) and Ms. Deepa (Company Secretary & Compliance Officer) are the Key Managerial Personnel of the Company.

\*Mr. Divnain Singh Chowdhary ceased to be the Chief Financial Officer of Company w.e.f. 01.02.2022 and Mr. Suresh Kumar Puri was appointed as the Chief Financial Officer w.e.f. 25.07.2022.

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

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013 read with the rules made thereunder and Regulation 25 (8) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, that they meet the criteria of independence as laid out in Sub-section (6) of Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of your Company formed an opinion that the Independent Directors of our Company are maintaining highest standard of integrity and possessing expertise, requisite qualifications and relevant experience for performing their role as an Independent Directors.

#### **BOARD DIVERSITY AND REMUNERATION POLICY**

In accordance with Para A of Part D and Regulation 19 of Listing Regulations, the Board has framed Nomination & Remuneration Policy for appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Employees, which includes the criteria for determining qualification, positive attributes, independence of a Director and other matters provided under sub-section 3 of section 178 of the Companies Act, 2013. As on 31st March, 2023, the Board consists of four directors out of which one is Executive Director, and three are Independent Directors.

The Board periodically evaluates the need for change in its composition and size.

We affirm that the remuneration paid to the Directors is as per the terms approved by the Nomination and Remuneration Committee of the Company.

With reference to the provisions of Section 136(1) of the Companies Act, 2013, information required under Section 197(2) read with rule 5(1) not forms part of this report. Since, no employees are employed who draws remuneration pursuant to the provision of 197(2) read with rule 5(2).

#### **BOARD MEETINGS**

During the year under review, Six Board Meetings were convened and held, the details of which are given in the Corporate Governance Report forming part of this Report.

#### **ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

In pursuance of Section 134 (3) (p) of the Companies Act, 2013 read with rules made thereunder, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors carried out the performance evaluation of the Board as a whole, its Committees and individual directors. Led by the Nomination & Remuneration Committee ('NRC'), the evaluation was carried out using individual questionnaires covering composition of Board, conduct as per Company values & beliefs, contribution towards development of strategy & business plan, risk management, receipt of regular inputs and information, codes & policies for strengthening governance, functioning, performance & structure of Board Committees, skill set, knowledge & expertise of Directors, preparation & contribution at Board meetings, leadership etc.

As part of the evaluation process, the performance of Non Independent Directors, the Chairman and the Board was conducted by the Independent Directors. The performance evaluation of the respective Committees and that of Independent and Non Independent Directors was done by the Board excluding the Director being evaluated.

#### **RELATED PARTY TRANSACTIONS**

All contracts or arrangements entered into by the Company with Related Parties have been done at arm's length and are in the ordinary course of business. Related Party disclosures as per AS-18 have been provided in the Notes to the Financial Statements. Further, no material related party transactions held during the financial year 2022-23.

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

Since, the Company had no manufacturing operations during the current financial year 2022-23, the information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies



(Accounts) Rules, 2014 is not applicable on Company for financial year 2022-23.

## **RISK MANAGEMENT**

The Company recognises that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and efficient manner. The Company has formulated Risk Management Policy to identify and then manage threats/risks that could have impact on the goals and objectives of the Company.

The Audit Committee of the Company periodically reviews and evaluates the adequacy of risk management systems, keeps an eye on execution of risk management plan of the Company and advises management on strengthening mitigating measures wherever required. The actual identification, assessment and mitigation of risks is however done by the executives of the Company.

## **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated Vigil Mechanism/ Whistle Blower Policy which provides a robust framework for dealing with genuine concerns & grievances of Employees, Directors and Senior Executives.

Specifically, employees can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company. During financial year 2022-23, no complaints were received.

## **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has aligned its current systems of internal financial control with the requirement of Companies Act, 2013.

The management assessed the effectiveness of the Company's internal control over financial reporting (as defined in Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) as of 31<sup>st</sup> March, 2023. The assessment involved self-review and external audit.

Modern Steels Limited's internal controls are commensurate with its size and nature of its 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, executing transactions with proper authorisation and ensuring compliance of corporate policies.

M/s APT & CO. LLP, the Statutory Auditors of Modern Steels Limited have audited the financial statements including in this annual report and has issued an attestation report on our internal control over financial reporting (as defined in Section 143).

The Audit Committee reviews reports submitted by the management and audit reports submitted by internal auditors and statutory auditors. Suggestions for improvement are considered and the audit committee follows up on corrective action.

Based on its evaluations (as defined in Section 177 of Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), the Audit Committee has concluded that, as of 31<sup>st</sup> March, 2023, the internal financial controls were adequate and operating effectively.

## **COMMITTEES OF THE BOARD OF DIRECTORS**

Your Company has the following Three- Board Level Committees established by the Board in compliance with the requirements of the business and relevant provisions of applicable laws and statutes:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee

The details regarding composition, terms of reference, number of meetings held, etc. of the above Committees are included in the Report of Corporate Governance, which forms parts of the Annual Report. There has been no instance where the board has not accepted recommendation of Audit Committee, Nomination & remuneration Committee and Stakeholders Relationship Committee. Further, the provisions of Companies Act mandating constitution of Risk Management Committee are not yet applicable to the Company.

## **AUDITORS**

### **Statutory Auditors**

Pursuant to Section 139 and 142 and other applicable provisions of Companies Act, 2013, if any and the rules framed thereunder, M/s. APT & Co. LLP, Chartered Accountants (Registration No. 014621C/N500088) were appointed as Statutory

Auditors of Company at 48<sup>th</sup> Annual General Meeting for a period of two (2) years to hold office till the conclusion of the Annual General Meeting to be held in the year 2024 at a remuneration mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

#### **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with rules made thereunder, the Board of Directors had appointed M/s. Sanger & Associates, Company Secretaries as Secretarial Auditor of the Company for the financial year 2022-23 for conducting the Secretarial Audit as required under the provisions of Companies Act, 2013.

Further, M/s. Sanger & Associates, Company Secretaries being eligible for re-appointment expressed his willingness to act as Secretarial Auditor of Company for Financial Year 2023-24, the Board of Directors on recommendation of Audit Committee approved the re-appointment of M/s. Sanger & Associates as Secretarial Auditors of the Company for Financial Year 2023-24.

#### **AUDITOR'S REPORT**

##### **Statutory Auditors' Report**

The Statutory Auditors of the Company M/s. APT & CO LLP, Chartered Accountants, has submitted the Auditor's Report on standalone financial statements for the period ended March 31, 2023 which do not contain any qualification, reservation or adverse remark or disclaimer. The notes to the accounts referred to in the auditors' report are self-explanatory and therefore, do not call for any further comments. The Auditors have also not reported any matter under section 143(12) of the Companies Act, 2013.

##### **Secretarial Auditors' Report**

The Secretarial Auditor M/s. Sanger & Associates, Company Secretaries has submitted the Secretarial Audit Report for the Financial Year 2022-23 in Form No. MR-3 and forming part of this Directors Report annexed as "Annexure-A". The Report does not contain any qualification or adverse remark.

#### **EXTRACT OF ANNUAL RETURN**

In compliance with Section 92(3), Section 134(3) (a) and Rule 12 of the Companies (Management and Administration) Rules, 2014 the extract of the annual return in Form No. MGT-9 is available on the website of Company [www.modernsteels.com](http://www.modernsteels.com) and

also annexed as "Annexure-B" forming part of this report.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The details of Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 for Financial Year 2022-23 forms part of the notes to the financial statements provided in the Annual Report.

#### **MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING FINANCIAL POSITION OF THE COMPANY**

There are no adverse material changes or commitments occurring after 31<sup>st</sup> March, 2023 till the date of this report, which may affect the financial position of the Company.

#### **CORPORATE SOCIAL RESPONSIBILITY**

The provisions regarding Corporate Social Responsibility ("CSR") as enumerated under section 135 of the Companies Act 2013 are applicable to the Company for the period under review.

However, the liability to spend at least two per cent of the average net profits of the company made during the three immediately preceding financial years is not applicable on our company for the current financial year, since the company is having average net loss instead of profits during the three immediately preceding financial years.

The Annual Report on CSR activities in the prescribed Form is attached as "Annexure-C" to this report. The CSR Policy is available on the website of the Company at [www.modernsteels.com](http://www.modernsteels.com)

#### **SIGNIFICANT AND MATERIAL ORDERS**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

#### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

Your Company has in place a policy on Prevention of Sexual Harassment at workplace. This policy is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees are covered under this Policy.





As per the said Policy, an Internal Complaints Committee is also in place to redress complaints received regarding sexual harassment. No complaints were received during financial year 2022-23.

**COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company is compliant with the applicable Secretarial Standards (SS) viz. SS-1 & SS-2 on Meetings of the Board of Directors and General Meetings respectively.

**DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to requirements under Section 134(3)(c) of the Companies Act, 2013 with respect to Directors Responsibility Statement, it is hereby confirmed that:

- i) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2023 and of the loss of the Company for the year ended on that date;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors have prepared the annual accounts for the year ended 31<sup>st</sup> March, 2023, on a 'going concern' basis;
- v) the Directors have laid down internal financial controls to be followed by the Company and that

such internal financial controls are adequate and were operating effectively;

- vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**APPRECIATION**

The Directors also wish to place on record its appreciation for the commitment displayed by all employees at all levels during the year.

The Directors also take this opportunity to express its deep gratitude for the continued co-operation and support received from its valued stakeholders.

By order of the Board of Directors  
For Modern Steels Limited

Krishan Kumar Goyal

Place: Chandigarh Chairman and Managing Director  
Dated: 11<sup>th</sup> August, 2023 DIN: 00482035

**MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT**

As the Members are aware that, the manufacturing business of the Company had been sold in the last financial year. The Company is working out on the future course of business

By order of the Board of Directors  
For Modern Steels Limited

Krishan Kumar Goyal

Place: Chandigarh Chairman and Managing Director  
Dated: 11<sup>th</sup> August, 2023 DIN: 00482035

## ANNEXURE 'A' TO DIRECTORS ' REPORT

Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH  
2023**[Pursuant to section 204(1) of the Companies Act,  
2013 and Rule 9 of the Companies (Appointment  
and Remuneration Personnel) Rules, 2014]**

To,  
The Members,  
MODERN STEEL LTD.  
CIN: L27109PB1973PLC003358  
G T ROAD MANDI GOBINDGARH  
PUNJAB.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MODERN STEEL LTD.** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of the **MODERN STEEL LTD.** 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, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on **31<sup>ST</sup> MARCH 2023** 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **MODERN STEEL LTD.** ("The Company") for the financial year ended on **31<sup>ST</sup> MARCH 2023** 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 Byelaws Framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to 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 and The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013.
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not applicable as the company has not issued any securities during the financial year under review.
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable as the company has not provided any share-based benefits to the employees during the year
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Chapter V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- Not applicable as the company has not issued any debt securities during the financial year under review.
- (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- Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the amendments thereof: Not Applicable, as none of the securities of the company were delisted during the audit period
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable as the company has not bought back any of its securities during the financial year under review.

I 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 SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 being listed on the BSE Limited;



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

**I further report that** compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

**I further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- The Company has obtained all necessary approvals under the various provision of the act.
- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act and any other Act against/ on the Company, its directors and officers.

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

SANGER & ASSOCIATES  
COMPANY SECRETARIES

CS RAJEEV KUMAR SANGER  
M NO. A58369  
C.P NO.22007

Place: Panchkula  
Date: 31<sup>st</sup> July, 2023

UDIN: A058369E000707633

**ANNEXURE:-A**

To,  
The Members,  
MODERN STEEL LTD.  
CIN: L27109PB1973PLC003358  
G T ROAD MANDI GOBINDGARH  
PUNJAB.

My Secretarial Audit report on even date, for the financial year 2022-23 is to be read along with this letter.

**Management Responsibility**

1. It is the responsibility of the management of the Company to maintain Secretarial records, devise proper system to ensure compliance with the provision of all applicable laws and regulation and to ensure that the system is adequate and operate effectively.

**Auditor responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial Compliances.
3. I believe that audit evidence and information obtained from the management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, I have obtained the management's representation about compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

5. 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 affair of the Company.
6. I have not verified the correctness and appropriateness of financial records and books of account of the Company.

FOR SANGER & ASSOCIATES  
COMPANY SECRETARIES

CS RAJEEV KUMAR SANGER  
M.NO 58369  
COP: 22007

Place: Panchkula  
Date: 31<sup>st</sup> July, 2023

UDIN: A058369E000707633

**ANNEXURE - 'B' TO DIRECTORS ' REPORT  
FORM NO. MGT.9**

**EXTRACT OF ANNUAL RETURN**

**MODERN STEELS LIMITED**

**as on the financial year ended 31<sup>st</sup> March, 2023**

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

**I. REGISTRATION AND OTHER DETAILS:**

i) CIN	L27109PB1973PLC003358
ii) Registration Date	19 <sup>th</sup> November, 1973
iii) Name of the Company	Modern Steels Limited
iv) Category / Sub-Category of the Company	Public Limited/Listed Company
v) Address of the Registered office and contact details	GT Road, Mandi Gobindgarh, Distt. Fatehgarh Sahib, Punjab - 147301 Tel: 01765-257991
vi) Whether listed Company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent	MCS Share Transfer Agent Limited F- 65, First Floor, Okhla Industrial Area Phase-I, New Delhi - 110 020. Tel.No. : +91-11- 41406149 , Fax No.: +91-11- 41709881, E-mail : admin@mcsregistrars.com, Website: www.mcsregistrars.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the Business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of main products/services	NIC Code of the Product / Service	% to total turnover of the Company*
1	Manufacturing of Metal or Metal Products	24105/ 28140	0

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NIL**

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of total Equity)**

**i) Category wise Shareholding**

Category of shareholders	No. of shares held at the beginning of the year (as on 1 <sup>st</sup> April, 2022)				No. of shares held at the end of the year (as on 31 <sup>st</sup> March, 2023)				% change during the year
	Demat	Physical	Total	%	Demat	Physical	Total	%	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual /HUF	6885859	-	6885859	50.03	6885859	-	6885859	50.03	0.00
b) Bodies Corp.	2133077	-	2133077	15.50	2133077	-	2133077	15.50	0.00
<b>Sub Total (A):-</b>	9018936	-	9018936	65.53	9018936	-	9018936	65.53	0.00
<b>Total shareholding of Promoter (A)</b>	9018936	-	9018936	65.53	9018936	-	9018936	65.53	0.00
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	3600	2400	6000	0.04	3600	2400	6000	0.04	0.00
b) Banks / FI	-	1000	1000	0.01	-	1000	1000	0.01	0.00
<b>Sub Total (B)(1):-</b>	3600	3400	7000	0.05	3600	3400	7000	0.05	0.00
<b>2. Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	55327	43300	98627	0.72	36886	43300	80186	0.58	-0.13
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs 1 lakhs	1814271	731705	2545976	18.50	1764919	719205	2484124	18.05	-0.45
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs.	1866540	21000	1887540	13.72	1794957	21000	1815957	13.20	-0.52
c) Others (Specify)									
Non Resident Indians	204280	-	204280	1.48	356156	-	356156	2.59	1.10
<b>Sub Total (B)(2):-</b>	3940418	796005	4736423	34.42	3952918	783505	4736423	34.42	0.00



# MODERN STEELS LIMITED

Category of Shareholders	No. of shares held at the beginning of the year (as on 1 <sup>st</sup> April, 2021)				No. of shares held at the end of the year (as on 31 <sup>st</sup> March, 2022)				% change during the year
	Demat	Physical	Total	%	Demat	Physical	Total	%	
Total Public Shareholding (B) = (B)(1) + (B) (2)	3944018	799405	4743423	34.47	3656518	786905	4743423	34.47	0.00
C. Shares held by custodian for CDRs and ADRs	-	-	-	-	-	-	-	-	0.00
<b>Grand Total (A+B+C)</b>	<b>12962954</b>	<b>799405</b>	<b>13762359</b>	<b>100.00</b>	<b>12975454</b>	<b>786905</b>	<b>13762359</b>	<b>100.00</b>	<b>0.00</b>

## ii. Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year (as on 1 <sup>st</sup> April, 2022)			Shareholding at the end of the year (as on 31 <sup>st</sup> March, 2023)			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1.	Krishan Kumar Goyal	2496179	18.14	100%	2496179	18.14	100%	0.00
2.	Alka Goyal	1488840	10.82	100%	1488840	10.82	100%	0.00
3.	Amarjit Goyal	1189250	8.64	100%	1189250	8.64	100%	0.00
4.	Nabha Commerce Pvt Ltd.	837750	6.09	100%	837750	6.09	100%	0.00
5.	Aditya Goyal	795590	5.78	100%	795590	5.78	100%	0.00
6.	Chandigarh Finance Pvt Ltd	380625	2.77	100%	380625	2.77	100%	0.00
7.	Krishan Kumar Goyal (HUF)	546000	3.97	100%	546000	3.97	100%	0.00
8.	Amarjit Goyal (HUF)	370000	2.69	100%	370000	2.69	100%	0.00
9.	Times Finvest & Commerce Limited	234702	1.71	100%	234702	1.71	100%	0.00
10.	Indo Pacific Finlease Limited	680000	4.94	100%	680000	4.94	100%	0.00
<b>Total</b>		<b>9018936</b>	<b>65.53</b>	<b>100%</b>	<b>9018936</b>	<b>65.53</b>	<b>100%</b>	<b>0.00</b>

## iii. Change in Promoters Shareholding (please specify if there is any change)

There is no change in the Promoter's shareholding during the year.

## iv. Shareholding Pattern of top ten Shareholders\* (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year (as on 1 <sup>st</sup> April, 2022)		Purchase during the year	Sale during the year	Cumulative Shareholding at the end of the year (as on 31 <sup>st</sup> March, 2023)	
		No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company
1	Ajay Goyal	514135	3.74	-	-	514135	3.41
2	Veenu Garg	366707	2.66	-	-	366707	2.66
3	Jayaseelan Singaravelu	188065	1.37	155712	-	343777	2.50
4	Laven Kumar Goyal	195672	1.42	-	-	195672	1.42
5	Vijay Garg	191784	1.39	-	-	191784	1.39
6	Divyesh Ghanshyam Mehta	67000	0.49	-	6420	60580	0.44
7	Hina Dhirajlal Ambani	44000	0.32	-	-	44000	0.32
8	Kamal Leasing Limited	40750	0.30	-	-	40750	0.30
9	Gagandeep Singh Anand	17340	-	18749	4249	31840	0.23
10	Nipa Chetan Ambani	30220	0.22	-	-	30220	0.22

\*Details of top Ten shareholders as on 31.03.2023.



## v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the shareholder	Shareholding at the beginning of the year (as on 1 <sup>st</sup> April, 2022)		Purchase during the year	Sale during the year	Cumulative Shareholding at the end of the year (as on 31 <sup>st</sup> March, 2023)	
		No. of shares	% of total shares of the Company	No. of shares	No. of shares	No. of shares	% of total shares of the Company
1.	Mr. Krishan Kumar Goyal	2496179	18.14	-	-	2496179	18.14

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in Rs.)

	Secured Loans excluding deposits	Working Capital Loans	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (as on 1st April, 2022)</b>					
i) Principal Amount	-	-	70,446,594	-	70,446,594
ii) Interest due but not paid	-	-	-	-	-
iii) Interest accrued but not due	-	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	<b>70,446,594</b>	-	<b>70,446,594</b>
<b>Change in indebtedness during the financial year</b>					
- Addition	-	-	-	-	-
- Reduction	-	-	57,701,488	-	57,701,488
Net change	-	-	<b>57,701,488</b>	-	<b>57,701,488</b>
<b>Indebtedness at the end of the financial year (as on 31st March, 2023)</b>					
i) Principal Amount	-	-	12,745,106	-	12,745,106
ii) Interest due but not paid	-	-	-	-	-
iii) Interest accrued but not due	-	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	<b>12,745,106</b>	-	<b>12,745,106</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

The remuneration of Directors and Key Managerial Personnel appears in the Corporate Governance Report.

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

The penalty as imposed by BSE appears in the Corporate Governance Report.

By order of the Board of Directors  
For Modern Steels Limited

Place: Chandigarh  
Dated: 27<sup>th</sup> August, 2022

Krishan Kumar Goyal  
Chairman and Managing Director  
DIN: 00482035



**ANNEXURE - 'C' CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES' REPORT  
EXTRACT OF ANNUAL RETURN**

**MODERN STEELS LIMITED  
as on the financial year ended 31<sup>st</sup> March, 2023**

(Annual Report on Corporate Social Responsibility Activities as per Section 135 of the Companies Act, 2013 for Financial Year 2022-23)

1. Brief outline on CSR Policy of the Company:
  - The Company has framed Corporate Social Responsibility (CSR) Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.  
The CSR Policy has been uploaded on the website of the Company at [www.modernsteels.com](http://www.modernsteels.com)
2. Composition of CSR Committee:
  - Pursuant to Section 135(9) of the Companies Act, 2013, Provision of constituting CSR Committee is not applicable to the Company.
3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company
  - [www.modernsteels.com](http://www.modernsteels.com)
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):
  - Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:
  - Not Applicable
6. Average net profit/ (loss) of the company as per section 135(5) for last three financial years:
  - Rs. (11,88) Lakhs
7. Calculation of Below:

(a) Two percent of average net profit /(loss) of the company as per section 135(5)	Rs. (24) Lakhs
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
(c) Amount required to be set off for the financial year, if any	Nil
(d) Total CSR obligation for the financial year (7a+7b-7c).	Nil

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
	Not Applicable				

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

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

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

(1) Sr. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/ No).	(8) Mode of implementation - Through implementing agency.	
				State.	District.			Name	CSR Registration number.
Not Applicable									

(d) Amount spent in Administrative Overheads: Nil

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Nil

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit/ (loss) of the company as per section 135(5)	(24) Lakhs
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer.	
Not Applicable							

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

(1) Sr. No.	(2) Project ID.	(3) Name of the Project.	(4) Financial Year in which the project was commenced.	(5) Project duration.	(6) Total amount allocated for the project (in Rs.).	(7) Amount spent on the project in the reporting Financial Year (in Rs.).	(8) Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	(9) Status of the project - Completed / Ongoing.
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(asset-wise details)

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

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

By order of the Board of Directors  
For Modern Steels Limited

Krishan Kumar Goyal  
Chairman and Managing Director  
DIN: 00482035

Place: Chandigarh  
Dated: 12<sup>th</sup> May, 2023

**CORPORATE GOVERNANCE REPORT**

In line with the requirement for providing a “Report on Corporate Governance” as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges as applicable, given below is a report on the Company’s Corporate Governance norms.

**1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE**

Modern Steels Limited is committed in adopting the best practices of Corporate Governance. The Company endeavors to act on the principles of transparency, accountability, trusteeship, integrity and passion. The ultimate objective being of realizing long term shareholder value, while taking into account the interest of other stakeholders.

**2. BOARD OF DIRECTORS****A. Composition and category of the Board of Directors**

The Board of Directors of the Company comprises of an optimum combination of Executive and Non-executive Directors. As on 31st March, 2023, the Board consists of 4 Directors out of which 3(Three) are independent directors (including one women director) and 1(One) is non-independent executive director.

A list of Directors including the Chairman of the Board and their status as Executive / Non-Executive and Independent / Non-Independent, their attendance at the Board meetings held during the year and no. of Directorships and Committee Chairmanships/Memberships held by them in other public companies during the year ended 31<sup>st</sup> March, 2023 is set out below:

Name of the Director	Category of the Director	No. of Board meetings attended	Last AGM attended	No. of other Directorships in Public Company	No. of Committee positions held in other public companies		Relationship between directors inter se
					Chairman	Member	
Mr. Krishan Kumar Goyal	Chairman & Managing Director, Executive – Non Independent Director	6	Yes	1*	-	-	NA
Prof. Satish Kumar Kapoor	Non-Executive – Independent Director	3	Yes	1**	1	-	NA
Dr. A. K. Vashisht	Non-Executive – Independent Director	6	Yes	1**	-	1	NA
Dr. Meena Sharma	Non-Executive – Independent Director	6	Yes	1***	-	-	NA

\* Mr. Krishan Kumar Goyal is also a Chairman and Managing Director in Modern Dairies Limited.

\*\* Prof. Satish Kumar Kapoor, Dr. A.K. Vashisht are Non-Executive Independent Director in Modern Dairyfarms Limited.

\*\*\* Dr. Meena Sharma is Non-Executive Independent Director in Modern Dairies Limited.

**Note:** In accordance with provisions of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 membership/chairmanship of the Audit Committee and Stakeholders Relationship Committee in all other Public Limited Companies (listed / unlisted) have been considered.

**B. Board Meeting and Attendance**

During the financial year ended 31<sup>st</sup> March, 2023, The Board of Directors met 6 (Six) times and the details of such Board Meetings are as under:

Date of Board Meeting	Board’s Strength	No. of Directors Present
26 <sup>th</sup> April, 2022	4	4
12 <sup>th</sup> August, 2022	4	3
27 <sup>th</sup> August, 2022	4	3
30 <sup>th</sup> September, 2022	4	3
14 <sup>th</sup> November, 2022	4	4
14 <sup>th</sup> February, 2023	4	4

None of the non- executive Directors are holding any equity shares in the Company.

**C. The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are available with the Board:**

Understanding of Industry, Leadership, Corporate Accounts & Finance, Production, Sales, Marketing, Administration and General Management, Board procedures and Corporate Governance

**The Directors possessing the skills/expertise and competencies:**

Name of the Directors	Skills/Expertise and Competencies
Mr. Krishan Kumar Goyal	Understanding of Industry, Leadership, Corporate Accounts & Finance, Production, Sales, Marketing, Administration, Board Procedures and Corporate Governance, General Management, etc.
Prof. Satish Kapoor	Corporate Accounts & Finance, Board Procedures and Corporate Governance, etc.
Dr. A. K. Vashisht	Corporate Accounts & Finance, Board Procedures and Corporate Governance, etc.
Dr. Meena Sharma	Corporate Accounts & Finance, Board Procedures and Corporate Governance, etc.

**D.** The Board hereby confirms that the independent directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and are independent of the management.

**3. AUDIT COMMITTEE**

**a. Terms of reference of Audit Committee**

- (1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;





- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- (21) consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- (22) carrying out any other function as is mentioned in the terms of reference of the audit committee.

**The audit committee shall mandatorily review the following information:**

- (1) management discussion and analysis of financial condition and results of operations;
- (2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (4) internal audit reports relating to internal control weaknesses; and
- (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (6) statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

**b. Composition of Audit Committee**

1. The Company has constituted an Audit Committee as per Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under Section 177 of the Companies Act, 2013. The Committee comprises of 3(three) Directors and all are Independent directors.

The constitution of the Audit Committee is as under:

Name of Director	Member / Chairman
Prof. Satish Kumar Kapoor	Chairman
Dr. Avtar Krishan Vashisht	Member
Dr. Meena Sharma	Member

2. The Chairperson of the Audit Committee is a Non-Executive Independent Director.
3. All of the above Directors are financially literate and have accounting and related financial management expertise.
4. The Chairman of the Audit Committee was present at the last Annual General Meeting to answer the shareholders queries.
5. The Company Secretary of the Company is the Secretary of the Audit Committee.

**c. Meetings and attendance of Audit Committee**

Six (6) committee meetings of Audit Committee were held during the financial year 2022-23 on 26<sup>th</sup> April 2022, 12<sup>th</sup> August 2022 and 27<sup>th</sup> August 2022, 30<sup>th</sup> September 2022, 14<sup>th</sup> November 2022 and 14<sup>th</sup>

February 2023. The status of attendance of members at the Audit Committee meetings held during the year is as under:

Name of Director	No. of Meetings Director was entitled to attend during 2022-23	No. of Meetings attended during 2022-23
Prof. Satish Kumar Kapoor	6	3
Dr. Meena Sharma	6	6
Dr. Avtar Krishan Vashisht	6	6

#### 4. NOMINATION AND REMUNERATION COMMITTEE

##### a. The terms of reference of the Committee are as follows-

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (6) recommend to the board, all remuneration, in whatever form, payable to senior management.

##### b. Composition of Nomination and Remuneration Committee

The Company has constituted a Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March, 2023, the Committee consists of 3(three) Directors and all are Independent Directors:

Name of Director	Member / Chairman
Prof. Satish Kumar Kapoor	Chairman
Dr. Avtar Krishan Vashisht	Member
Dr. Meena Sharma	Member

##### c. Meetings and Attendance of Nomination and Remuneration Committee

During the year, the meetings of this Committee were held on 12<sup>th</sup> August, 2022 and 14<sup>th</sup> November, 2022 and the detail of attendance is as follows:

Name of Director	No. of Meetings held during 2022-23	No. of Meetings attended during 2022-23
Prof. Satish Kumar Kapoor	2	1
Dr. Meena Sharma	2	2
Dr. Avtar Krishan Vashisht	2	2

- ##### d. Performance evaluation criteria:
- A formal evaluation of the performance of the Board, its Committees, the Chairman and the individual Directors was carried out for FY 2022-23. Led by the Nomination & Remuneration Committee ('NRC'), the evaluation was carried out using individual questionnaires covering composition of Board, conduct as per Company values & beliefs, contribution towards development of strategy & business plan, risk management, receipt of regular inputs and information, codes & policies for strengthening governance, functioning, performance & structure of Board Committees, skill set, knowledge & expertise of Directors, preparation & contribution at Board meetings, leadership etc.

#### 5. REMUNERATION OF DIRECTORS

The Executive Directors are paid remuneration as per the terms approved by the Board of Directors and confirmed by the shareholders of the Company. Service contracts are entered into in terms of regulations



governing their appointment and terms of remuneration. The remuneration is fixed considering various factors such as qualification, experience, expertise, prevailing remuneration in the competitive industries, financial position of the Company etc. The remuneration structure comprises Basic Salary, Perquisites and allowances, contribution to Provident Fund and other funds in accordance with various related provisions of the Companies Act, 2013. The Non-Executive Directors are paid sitting fee for Board and Committee meetings attended by them.

**Details of Remuneration paid to the Directors during the financial year ended 31<sup>st</sup> March, 2023:**

Amount in Rs.

Name of the Director	Salary	Benefits/PF	Perquisites	Stock Option	Sitting Fee	Total
Mr. Krishan Kumar Goyal	–	–	–	–	–	–
Prof. Satish Kumar Kapoor	–	–	–	–	60,000	60,000
Dr. Meena Sharma	–	–	–	–	85,000	85,000
Dr. Avtar Krishan Vashisht	–	–	–	–	85,000	85,000

**6. STAKEHOLDERS RELATIONSHIP COMMITTEE**

a. The role of the committee shall inter-alia include the following:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

b. Composition of Stakeholders' Relationship Committee

The Company has formed a Stakeholders Relationship Committee as per Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee consists of 3 (three) Directors and all are independent directors. The list of members and the Chairman of the Committee is as follows:

Name of Director	Member / Chairman
Prof. Satish Kumar Kapoor	Chairman
Dr. Avtar Krishan Vashisht	Member
Dr. Meena Sharma	Member

c. The Chairman of the Committee is a Non-Executive Independent Director nominated by the Board.

d. The Chairperson of the Stakeholders Relationship Committee was present at the last Annual General Meeting to answer the Shareholders queries.

e. During the financial year ended 31<sup>st</sup> March, 2023, 4 (four) meetings of the Stakeholders Relationship Committee were held on 12<sup>th</sup> August, 2022, 30<sup>th</sup> September, 2022, 14<sup>th</sup> November, 2022 and 14<sup>th</sup> February 2023.

Name of Director	No. of Meetings Director was entitled to attend during 2022-23	No. of Meetings attended during 2022-23
Prof. Satish Kumar Kapoor	4	2
Dr. Avtar Krishan Vashisht	4	4
Dr. Meena Sharma	4	4

f. During the year 2022-23, the Company has received (1) one Complaint from the shareholders, which was duly resolved by the Company within the prescribed time.

## 7. GENERAL BODY MEETINGS

### • Annual General Meeting

Financial Year	Location	Date	Time
2019-20	Regd. Office: G.T. Road, Mandi Gobindgarh (Pb.)	28.12.2020	11.00 A.M.
2020-21	Regd. Office: G.T. Road, Mandi Gobindgarh (Pb.)	30.12.2021	11.00 A.M.
2021-22	Regd. Office: G.T. Road, Mandi Gobindgarh (Pb.)	30.09.2022	02.00 P.M.

Special Resolutions passed in previous three AGMs:

- (i) In the 46<sup>th</sup> AGM dated 28.12.2020, the following Special resolutions were passed:
  - a) To re-appoint Mr. Krishan Kumar Goyal (DIN: 00482035) as Chairman & Managing Director of the Company for further period of 3 years.
  - b) To appoint Prof. Satish Kumar Kapoor (DIN: 00009122) as a non-executive Independent Director
  - c) To approve the material related party transactions with Nabha Commerce Private Limited.
  - d) To ratify the remuneration of the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2021.
  - e) To sell/ transfer/ dispose-off Business Undertaking of the Company.
- (ii) In the 47<sup>th</sup> AGM dated 30.12.2021, the following Special resolutions were passed:
  - a) To appoint Dr. Avtar Krishan Vashisht (DIN: 03323142) as a non-executive Independent Director.
- (iii) In the 48<sup>th</sup> AGM dated 30.09.2022, the following Special resolutions were passed:
  - a) Ratification of the approval of remuneration paid to Whole-time/Executive Directors for the preceding period pursuant to amended Section 197 of the Companies Act, 2013.

### • Extra-ordinary General Meeting

During the year, no Extraordinary General Meeting of the Company was held.

During the year, the Company has not passed any resolution through postal ballot and as of now there is no proposal to pass any resolution through Postal Ballot.

## 8. MEANS OF COMMUNICATION

**Quarterly results:** The Quarterly /Half yearly/ Yearly results of the Company and information relating to Annual General Meeting, Book Closures is published in The Financial Express and Rozana Spokesman i.e. in English and regional language newspaper and is also notified to the Stock Exchange as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In addition, the Company also files quarterly results, Shareholding Pattern etc. in such form so as to enable Stock Exchange to put it on their website.

**Website:** [www.modernsteels.com](http://www.modernsteels.com)

**Annual Report:** The Annual Report containing Audited Financial Statements, Directors' Report, Auditors' Report, Corporate Governance Report is circulated to the members by email or by post.

**BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):** BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, quarterly results, among others are also filed electronically on the Listing Centre.

**SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

**Designated email-id:** The Company has designated following email ID exclusively for Investor Servicing: [secretarial@modernsteels.com](mailto:secretarial@modernsteels.com)

**Management Discussion and Analysis forms part of the Annual Report, which is sent to the shareholders.**

**GENERAL SHAREHOLDER INFORMATION****1. Annual General Meeting:**

Day, Date & Time: Wednesday, the 27<sup>th</sup> day of September, 2023 at 02.00 P.M.  
 Venue: Through Video Conferencing/other Audio Visual means.

**2. Financial Calendar for:**

Adoption of Results for the quarter ended:	In the Month of (tentative)
30 <sup>th</sup> June, 2023	August, 2023 (2 <sup>nd</sup> week)
30 <sup>th</sup> September, 2023	November, 2023 (2 <sup>nd</sup> week)
31 <sup>st</sup> December, 2023	February, 2023 (2 <sup>nd</sup> Week)
31 <sup>st</sup> March, 2023	May, 2024
Annual General Meeting	September, 2024

**3. Book Closure Date:**

From 21<sup>st</sup> September, 2023 to 27<sup>th</sup> September, 2023 (both days inclusive)

**4. Listing on Stock Exchanges:**

Your Company is listed at the BSE Limited (BSE).

**5. Stock Code:**

BSE: 513303

ISIN No. in NSDL & CDSL: INE001F01019

**6. Payment of Listing Fees and Depository Fees**

Your Company has made payment of Annual Listing Fees for Financial Year 2023-24 to the BSE Stock Exchange, where the securities of Company are listed.

Your Company has also made payment of Annual Custody/Issuer fee for Financial Year 2023-24 to NSDL & CDSL.

**7. Stock Data:**

Month	MODERN STEELS LIMITED ON BSE				BSE SENSEX		
	High Rs.	Low Rs.	Close Rs.	Volume	High	Low	Close
<b>2022</b>							
April	30.15	19.25	24.90	3,26,032	60845.10	56009.07	57060.87
May	26.10	17.00	19.45	1,53,785	57184.21	52632.48	55566.41
June	21.65	16.50	19.65	46,997	56432.65	50921.22	53018.94
July	20.05	15.95	17.75	79,057	57619.27	52094.25	57570.25
August	22.10	14.55	15.30	1,88,490	60411.20	57367.47	59537.07
September	21.45	14.55	19.85	1,73,778	60676.12	56147.23	57426.92
October	19.50	14.75	16.00	66,560	60786.70	56683.40	60746.59
November	17.30	12.40	13.95	87,081	63303.01	60425.47	63099.65
December	15.00	10.63	14.45	82,831	63583.07	59754.10	60840.74
<b>2023</b>							
January	19.00	13.35	14.86	1,13,074	61343.96	58699.20	59549.90
February	19.80	14.10	14.93	52,873	61682.25	58795.97	58962.12
March	14.98	11.55	13.12	51,152	60498.48	57084.91	58991.52



**8. Registrars and Share Transfer Agents (For Physical as well as for Demat Segment):**

M/s. MCS Share Transfer Agent Limited

F- 65, First Floor, Okhla Industrial Area Phase-I, New Delhi - 110 020.

Tel. No.: +91-11- 41406149 , Fax No.: +91-11- 41709881,

E-mail: admin@mcsregistrars.com, Website: www.mcsregistrars.com.

All shareholders of the Company can avail online services from our Registrars & Share Transfer Agents M/s. MCS Share Transfer Agent Limited, with regard to Investor Grievances. Please login on the site of M/s. MCS Share Transfer Agent Limited at www.mcsregistrars.com and click on Investors Services and you can register your queries / grievances and details as required by you. The registered queries/grievances on the site will be responded by M/s. MCS Share Transfer Agent Limited on priority basis.

**9. Share transfer System:**

94.28% of the equity shares of the Company are in the electronic form. Transfers of these shares are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with M/s. MCS Share Transfer Agent Limited or with Company at above mentioned addresses.

**10. Distribution of Shareholding as on 31<sup>st</sup> March, 2023:**

SHAREHOLDING		SHAREHOLDERS		NO. OF SHARES	
From	To	Number	% of total	Number	% of total
1	500	6195	88.49	1253411	9.11
501	1000	408	5.83	326402	2.37
1001	2000	193	2.76	279376	2.03
2001	3000	53	0.76	130142	0.94
3001	4000	31	0.44	110047	0.80
4001	5000	26	0.37	120800	0.88
5001	10000	45	0.64	306970	2.23
10001	50000	29	0.41	592483	4.31
50001	100000	2	0.03	137340	1.00
100001	And Above	19	0.27	10505388	76.33
<b>TOTAL</b>		<b>6867</b>	<b>100.00</b>	<b>13762359</b>	<b>100.00</b>

**Shareholding Pattern of the Company as on 31<sup>st</sup> March, 2023:**

Category	No. of shares held	% age of shareholding
Promoters & Promoter Group	9018936	65.53
Mutual Funds & Banks	7000	0.05
Bodies Corporate (not included above)	80186	0.58
Indian Public	4300081	31.25
NRIs / OCBs	356156	2.59
<b>TOTAL</b>	<b>13762359</b>	<b>100.00</b>

**11. Dematerialisation of Shares:**

The trading in Company's shares is permitted only in dematerialised form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scripless trading, the Company has enlisted its shares with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Share Dematerialisation record: The following data indicates the extent of Dematerialization of Company's shares as on 31<sup>st</sup> March, 2022.

No. of Shares : **1,29,75,454**

**94.28%** of the total equity.

**12. Commodity price risk or foreign exchange risk and hedging activities:**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

**13. Plant Location of the Company:**

The Company has sold its Business undertaking at Mandi Gobindgarh. Hence, Company is having no plant as on date.

**14. Correspondence Address:**

All queries of investors regarding the Company's shares in Physical / D'mat form may be sent at the following addresses:

- i) Modern Steels Limited  
Corporate Office: SCO 98-99, Sub City Centre, Sector 34, Chandigarh-160022  
Tel.: +91-172- 2609001, 2609002, 2609003, Fax: +91-172- 2609000  
E-mail:secretarial@modernsteels.com, Company's Website: www.modernsteels.com
- ii) M/s. MCS Share Transfer Agent Limited  
F- 65, First Floor, Okhla Industrial Area Phase-I, New Delhi 110 020.  
Tel. No.: +91-11- 41406149, Fax No.: +91-11- 41709881,  
E-mail: admin@mcsregistrars.com, Website: www.mcsregistrars.com

**15. Other Disclosures:**

- a) Disclosure on materially significant related party transactions:  
All material transactions with related parties as defined under the Act and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business. They have been approved by the Audit Committee, Board of Directors and Shareholders.
- b) Details of non- compliance by listed Company, penalties: BSE Ltd. imposed a penalty of Rs. 5,95,000/- for non-compliance during the year 2022-23. The Company has duly complied with the regulation and has paid the said amount.
- c) Detail of establishment of vigil mechanism, whistle blower policy:  
The Company has established a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Directors and employees to report concerns about unethical behavior. No person is denied access to the Chairman of the Audit Committee.
- d) Details of compliance with mandatory requirements:  
The Company is complying with all the mandatory requirements as given by Stock Exchange / Registrar of Companies.
- e) The Company is not having any subsidiary, therefore no policy for determining material subsidiaries.
- f) A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.  
The Certificate of Company Secretary in practice is annexed herewith as a part of the report.
- g) Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.  
Details relating to fees paid to the Statutory Auditors are given in Relevant Note to the Financial Statements.
- h) Your Company has in place a policy on Prevention of Sexual Harassment at workplace. This policy is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees are covered under this Policy.

As per the said Policy, an Internal Complaints Committee is also in place to redress complaints received regarding sexual harassment. No complaints were received during financial year 2022-23.

**Declaration regarding compliance by Board members and Senior management personnel with the Company's code of conduct.**

The Shareholders,

I, Krishan Kumar Goyal, Chairman & Managing Director of the Company do hereby declare that all the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct adopted by the Board of Directors, as applicable to the Board of Directors and Senior Management of the Company.

FOR Modern Steels Limited

Place: Chandigarh  
Dated: 11<sup>th</sup> August, 2023

Krishan Kumar Goyal  
Chairman & Managing Director  
DIN: 00482035

**Certificate on Compliance with the conditions of Corporate Governance under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

To,  
The Members of  
MODERN STEELS LIMITED  
G T ROAD MANDI GOBINDGARH PUNJAB

I have examined the compliance of conditions of Corporate Governance by Modern Steel Limited (the company) (CIN: L27109PB1973PLC003358) for the year ended on 31st March 2023 as per the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the management. My examination has been limited to review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information, and according to the explanations given to us, I certify that the Company has complied with the conditions of Corporate Governance as per the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I 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 Sanger & Associates**  
Company Secretaries

Place: Panchkula  
Dated: 31<sup>st</sup> July 2023

CS Rajeev Kumar Sanger  
M.NO 58369  
COP: 22007  
UDIN: A058369E000712264



**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  
MODERN STEEL LTD.,  
G T ROAD MANDI GOBINDGARH  
PUNJAB

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **MODERN STEEL LIMITED [CIN L27109PB1973PLC003358]** and having registered office at **G T ROAD MANDI GOBINDGARH** (hereinafter referred to as 'the Company'), produced before me/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 my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion 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 Sanger & Associates**  
Company Secretaries

CS Rajeev Kumar Sanger  
M.NO 58369  
COP: 22007  
UDIN: A058369E000712550

Place: Panchkula  
Dated: 31<sup>st</sup> July 2023

**INDEPENDENT AUDITORS' REPORT**

To

THE MEMBERS OF MODERN STEELS LIMITED

**REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of Modern Steels Limited, which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year ended, and a summary of significant accounting policies and other explanatory information.

**OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit and cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the standards on auditing 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 Act 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.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of

adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of





Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

- d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e. There are no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the company.
- f. On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, there is no remuneration paid to the directors during the financial year ended 31-03-2023.
- i. 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:
  1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
  2. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  4. (a) 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, whether, 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 on behalf of the Ultimate Beneficiaries;
  - b) 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, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c) Based on such audit procedures performed that have been 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 (i) and (ii) contain any material misstatement.
5. No dividend has been declared or paid during the year by the Company
6. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**FOR APT & CO LLP**  
Chartered Accountants

**CA Amrit Pal Singh**

Partner

Membership no. 508134

(Firm Registration No. 014621C/  
N500088)

Place: Chandigarh

Date: 12<sup>th</sup> May, 2023

UDIN: 23508134BGYZF9901

**ANNEXURE A TO THE AUDITORS' REPORT**

The Annexure referred to in our report to the members of the company for the year ended 31<sup>st</sup> March, 2023. To the best of our knowledge and belief and information & explanation given to us, we further report that: -

1. a) The company has maintained proper records to show full particulars including quantitative details & situation of its fixed assets
- b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals which in our opinion is appropriate having regards to size of the company and nature of its assets. No material discrepancies have been noticed during the year.
- c) The title deeds of immovable properties are held in the name of the Company.
- d) The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible or both during the year ended March 31, 2023
- e) There are no proceedings initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
2. a) The Company does not have any inventory and hence reporting under this clause of the Order is not applicable.
- b) There has been no sanctioning of working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the year ended March, 31 2023.
3. (a) During the year, the company has granted unsecured loans to the companies other than subsidiary, Joint ventures and associates as follows:

Company Name	Aggregate amount during the year	Balance Outstanding at the end of the year	Percentage of total loans granted
TIMES FINVEST & COMMERCE LTD.	3,19,00,000	3,25,19,003	34.65
SMILE FINVEST PVT LTD.	6,01,65,000	5,92,33,511	65.35

- (b) The terms and conditions of unsecured loans granted are not prejudicial to the company's interest.
- (c) In respect of Unsecured Loans, the schedule of repayment of principal and payment of interest has been stipulated and the receipts are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There are no loans and advances in the nature of Loan granted which has fallen due during the year

and has been renewed or extended or fresh loans granted to settle the overdue of existing Loans.

- (f) The Company has granted loans to related parties (Smile Finvest Pvt Ltd) as defined in clause (76) of section 2 of the Companies Act, 2013.
4. The company has not entered into any transaction covered under Section 185 of the Companies Act, 2013. The company has complied with the provisions of Section 186 in respect of transactions entered into.
5. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause (v) of the Order are not applicable.
6. The maintenance of cost records is not required as business activities have not been carried out by the Company. Hence, reporting under this clause of the Order is not applicable to the Company.
7. (a) The company is regular in depositing 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 any other statutory dues to the appropriate authorities. There were no arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to the records of the Company examined by us and the information and explanations given to us, there are no dues of Goods and Service Tax, sales tax, income tax, customs duty, service tax, excise duty and cess which have not been deposited on account of any dispute other than the following amounting to Rs. 1.03 crore. The details are as under:-

NATURE OF DUES/NAME OF STATUTES	FORUM WHERE DISPUTE IS PENDING	YEAR	DISPUTED AMOUNT (₹)
EXCISE DUTY			
CENTRAL EXCISE ACT 1944	COMMISSIONER (APPEALS), CHANDIGARH	2007-08	2,56,533
CENTRAL EXCISE ACT 1944	COMMISSIONER (APPEALS), CHANDIGARH	2007-08 to 2008-09	2,59,085
CENTRAL EXCISE ACT 1944	COMMISSIONER (APPEALS), CHANDIGARH	2004-05 to 2006-07	89,56,212
CENTRAL EXCISE ACT 1944	CHANDIGARH	2008-09, 2009-10	8,50,927

8. The company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
9. a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.



- b) The Company has not been declared as a willful defaulter by any bank or financial institution or other lender during the year.
- c) There were no Term loans availed during the year under audit.
- d) The Company has not availed funds on short term basis during the year under audit.
- e) 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 this clause of the Order is not applicable to the Company.
- f) 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 during the year. Hence, the requirement to report on this clause of the Order is not applicable to the Company.
10. (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments and term loans during the year.
- (b) The Company has not made any preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures during the year under audit.
11. (a) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (b) During the year and up to the date of this report, no report under section 143 (12) of the Act has been filed by secretarial auditor or by the predecessor auditors or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) There has been no Whistle blower complaint received during the year by the company.
12. In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special/statute applicable to Nidhi Company are not applicable to it.
13. In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind-AS.
14. (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for the period under audit were considered by us.
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 (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
- (b) The company is a Manufacturing company of Steels Products registered under companies Act 2013. Hence, it is not required to obtain certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934.
- (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 c(xvi) of the Order is not applicable to the Company
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause d(xvi) of the Order is not applicable to the Company.
17. The Company has not incurred cash losses in the current year or the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year ended 31st March 2023.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which makes us to believe that any material uncertainty exists as on the date of the audit report, 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.
20. (a) Although Section 135 is applicable to the company, but no amount is required to be spent as per Section 198. Hence in respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule 9II of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act.
- (b) Although Section 135 is applicable to the company, but no amount is required to be spent as per Section 198. Hence, there are no unspent amounts that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act.
21. Since there is no subsidiary, associate or Joint Ventures of the company so company is not required to make consolidated financial statements. Hence requirement to report under this clause is not applicable to the company.

**FOR APT & CO LLP**  
Chartered Accountants

**CA Amrit Pal Singh**

Partner

Membership no. 508134

(Firm Registration No. 014621C/  
N500088)

Place: Chandigarh

Date: 12<sup>th</sup> May, 2023

**ANNEXURE B**

**Annexure to the Independent Auditor's Report of even date to the members of Modern Steels Limited, on the financial statements for the year ended 31<sup>st</sup> March, 2023**

**Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

1. In conjunction with our audit of the financial statements of Modern Steels Limited ("the Company") as of and for the year ended 31<sup>st</sup> March 2023, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

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

2. The Company's Board of Directors 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 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 the company's business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

**Meaning of Internal Financial Controls over Financial Reporting**

6. A Company's IFCoFR 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 IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2023, 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 APT & CO LLP**  
Chartered Accountants

**CA Amrit Pal Singh**  
Partner

Membership no. 508134

(Firm Registration No. 014621C/  
N500088)

Place: Chandigarh

Date: 12<sup>th</sup> May, 2023

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2023***(All amounts in ₹ Thousand, unless stated otherwise)*

Particulars	Notes	31 March 2023 ₹ in Thousand	31 March 2022 ₹ in Thousand
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
a) Fixed Assets			
i) Property, Plant and Equipment	III	5,69	5,69
b) Financial Assets			
i) Investments	IV	2,81	2,81
		8,50	8,50
<b>2 Current assets</b>			
a) Financial Assets			
(i) Cash and Bank Balances	V	51,61	41,48
(ii) Short Term Advances	VI	12,27,73	2,66,46
b) Current Tax Assets(Net)	VII	1,40,12	3,20,96
		14,19,46	6,28,90
		14,27,96	6,37,40
<b>B EQUITY AND LIABILITIES</b>			
<b>1 EQUITY</b>			
(a) Equity Share Capital	IX	14,40,23	14,40,23
(b) Other Equity	X	(1,58,27)	(15,41,40)
<b>Sub-total-Shareholders funds</b>		12,81,96	(1,01,17)
<b>2 LIABILITIES</b>			
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Short Term Borrowings	XI	1,27,45	7,04,47
(ii) Trade Payables			
(a) Total outstanding dues of micro enterprises small & medium enterprises			
(b) Total outstanding dues of creditors other than micro enterprises small & medium enterprises	XII	15,34	22,35
(b) Other Current Liabilities	XIII	3,21	11,75
<b>Sub-total-Current liabilities</b>		1,46,00	7,38,57
		14,27,96	6,37,40

Significant Accounting Policies

The Notes I to XXXI form an integral part of the Financial Statements

**For APT & CO LLP**Chartered Accountants  
Firm Registration No 014621C/N500088**SURESH KUMAR PURI**  
Chief Financial Officer**For MODERN STEELS LIMITED****KRISHAN KUMAR GOYAL**  
Chairman & Managing Director  
(DIN: 00482035)**CA AMRIT PAL SINGH**Partner  
M.No 508134  
Place: Chandigarh  
Date: 12<sup>th</sup> May, 2023**DEEPA**  
Company Secretary**SATISH KUMAR KAPOOR**  
Director  
(DIN: 00009122)

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH 2023

(All amounts in ₹ Thousand, unless stated otherwise)

Particulars	Notes	Year ended 31 March 2023 ₹ in Thousand	Year ended 31 March 2022 ₹ in Thousand
<b>INCOME</b>			
1 Revenue From Operations	XIV	-	1,02,03,85
2 Other Income	XV	<b>19,67,55</b>	80,38,36
3 <b>Total Revenue</b>		<b>19,67,55</b>	1,82,42,21
<b>4 EXPENSES</b>			
Cost of Materials Consumed	XVI	-	10,30,94
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	XVII	-	1,85,15
Employee Benefits Expense	XVIII	<b>10,33</b>	15,05,09
Finance Costs	XIX	<b>24,20</b>	86,16
Depreciation and Amortisation Expenses	III	-	3,59,24
Other Expenses	XX	<b>44,25</b>	74,62,58
<b>Total Expenses</b>		<b>78,78</b>	1,06,29,16
5 <b>Profit Before Exceptional Items</b>		<b>18,88,77</b>	76,13,05
Exceptional Items		<b>5,05,64</b>	-
6 <b>Profit for the Period</b>		<b>13,83,13</b>	76,13,05
<b>7 Other Comprehensive Income</b>			
a) Items that will be reclassified to Profit or Loss			
(i) Exceptional Items		-	1,37,30
8 <b>Total Other Comprehensive Income (net)</b>		-	1,37,30
9 <b>Profit After Exceptional Items</b>		<b>13,83,13</b>	77,50,35
10 <b>Earning per share (Rupees)</b>		<b>10.05</b>	56.31
Significant Accounting Policies			
The Notes I to XXXI form an integral part of the Financial Statements			

For APT & CO LLP  
Chartered Accountants  
Firm Registration No 014621C/N500088

For MODERN STEELS LIMITED

**SURESH KUMAR PURI**  
Chief Financial Officer

**KRISHAN KUMAR GOYAL**  
Chairman & Managing Director  
(DIN: 00482035)

**CA AMRIT PAL SINGH**  
Partner  
M.No 508134  
Place: Chandigarh  
Date: 12<sup>th</sup> May, 2023

**DEEPA**  
Company Secretary

**SATISH KUMAR KAPOOR**  
Director  
(DIN: 00009122)





# MODERN STEELS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023

(All amounts in ₹ Thousand, unless stated otherwise)

Particulars	31 March 2023 ₹ in Thousand	31 March 2022 ₹ in Thousand
<b>A Cash Flow from Operating Activities:</b>		
Net Profit/(Loss) after tax	13,83,13	77,50,35
Adjusted for :		
i. Depreciation	-	3,59,24
ii. Finance Cost	24,20	86,16
iii. Interest Income	-	(15,88)
	24,20	4,29,52
<b>Operating profit before working Capital Changes</b>	<b>14,07,33</b>	<b>81,79,87</b>
Adjusted for :		
i. Inventories	-	16,51,27
ii. Trade & Other receivables	(7,80,44)	13,80,52
iii. Trade Payable & Other Liabilities	(5,92,56)	(1,18,17,56)
	(13,73,00)	(87,85,77)
<b>Cash Generated from Operations</b>	<b>34,33</b>	<b>(6,05,90)</b>
i. Taxes Paid	-	2,75,27
<b>Net Cash outflow from Operating Activities (A)</b>	<b>34,33</b>	<b>(3,30,63)</b>
<b>B Cash Flow from Investing Activities</b>		
i. Purchase of Fixed Assets	-	47,00,84
ii. Sale/Adjustments of Fixed Assets/ others	-	5,30,29
iii. Interest Income	-	15,88
<b>Net Cash used In Investing Activities (B)</b>	<b>-</b>	<b>52,47,01</b>
<b>C Cash Flow from Financing Activities</b>		
i. Net Increase(Decrease) in other financial liabilities	-	(45,82,48)
ii. Net Increase(Decrease) in Liabilities/Provisions	-	(2,18,76)
iii. Finance Cost	(24,20)	(86,16)
<b>Net Cash from Financing Activities (C)</b>	<b>(24,20)</b>	<b>(48,87,40)</b>
<b>Net increase/decrease in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>10,13</b>	<b>28,98</b>
<b>Cash &amp; Cash Equivalents as on 1<sup>st</sup> April 2022</b>	<b>41,48</b>	<b>12,50</b>
<b>Cash &amp; Cash Equivalents as on 31<sup>st</sup> March 2023</b>	<b>51,61</b>	<b>41,48</b>
<b>Reconciliation of Cash and Bank balances with Balance Sheet</b>		
Cash and Bank balances as per Balance Sheet	51,61	41,48
<b>Cash &amp; Cash equivalents as on 31<sup>st</sup> March 2023</b>	<b>51,61</b>	<b>41,48</b>

For APT & CO LLP

Chartered Accountants

Firm Registration No 014621C/N500088

SURESH KUMAR PURI

Chief Financial Officer

For MODERN STEELS LIMITED

KRISHAN KUMAR GOYAL

Chairman & Managing Director  
(DIN: 00482035)

CA AMRIT PAL SINGH

Partner

M.No 508134

Place: Chandigarh

Date: 12<sup>th</sup> May, 2023

DEEPA

Company Secretary

SATISH KUMAR KAPOOR

Director

(DIN: 00009122)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**NOTE: I CORPORATE INFORMATION**

Modern Steels Limited (the Company) is a public listed company incorporated under the provisions of the Companies Act 1956 on 19<sup>th</sup> November 1973. The Company is engaged in manufacturing of Steel Rolled products.

**NOTE : II SIGNIFICANT ACCOUNTING POLICIES****2.1) Basis of preparation of Financial Statements****i) Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) under historical cost convention on the accrual basis, the provisions of the Companies Act 2013 (the Act) (to the extent notified) and guidelines issued by Securities and Exchange Board of India (SEBI). The Ind AS prescribed under Section 133 of the Act 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and relevant amendment rules issued thereafter.

**ii) Basis of Preparation**

Effective from 1 April 2017, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind-AS 101, "First Time Adoption of Indian Accounting Standards, with 1 April 2016 as the transition date. The transition was carried out from Indian Accounting principles generally accepted in India as prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**iii) Classification of Assets and liabilities as Current and Non-Current.**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of its assets and liabilities.

**2.2) Use of Estimates**

The preparation of financial statements, in conformity with Ind-AS require estimates and assumptions to be made by management, that may affect the reported amount of assets and liabilities as on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Changes in the estimates are reflected in the financial statements in the period changes are made, and if material their effects are disclosed in the notes to the financial statements.

**2.3) Property, Plant and Equipment and Depreciation**

Under the Indian GAAP, Property, plant and equipment were carried in the balance sheet on historical cost. The company has elected to regard those values as deemed cost under Ind-AS as on transition date i.e. 1<sup>st</sup> April 2016.

All tangible fixed assets are stated at cost less accumulated depreciation. Cost includes freight, duties, taxes and other expenses directly incidental to acquisition, bringing the asset to the location and installation including site restoration up to the time when the asset is ready for intended use. Such Costs also include Borrowing Cost if the recognition criteria are met. When a major inspection/repair occurs, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

As per the provision of IND AS-16, major spare parts, stand-by equipment and servicing equipment qualify as property, plant and equipment when an entity expects to use them during more than one period and the company has elected to do the same.

Depreciation on tangible fixed assets has been provided on straight-line method according to the Schedule II of the Companies Act 2013.

**2.4) Inventories**

There are no inventories during the current financial year.

**2.5) Foreign Exchange Transaction**

There are no foreign exchange transactions during the current financial year.



## 2.6) Investments

### (a) Classification

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

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

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

For assets measured at fair value, gains and losses arising from fair valuation will either be recorded in profit and loss or other comprehensive income. For investments in equity instruments, this will depend on whether the company has made any irrevocable election at the time of initial recognition to account for the equity investment for fair value through other comprehensive income.

### (b) Measurement

The company measures a financial asset at its fair value and in the case of financial assets not at fair value through profit and loss, at fair value including transaction cost that is directly attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit and loss are expensed in profit or loss.

## 2.7) Employees Benefits

### (a) Short Term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the financial reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### (b) Defined benefit obligations

The defined benefit obligations (including provident fund) are not subject to any provision

## 2.8) Borrowing Costs

To capitalize the borrowing costs that is directly attributable to the acquisition or Construction of that Capital asset. Other borrowing Costs are recognized as an expense in the year in which they are incurred.

## 2.9) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of Excise duty. Revenue is recognized net of returns, trade allowances, rebates, and value added taxes and net of amount collected on behalf of the third parties.

### Revenue from Goods

There is no revenue from goods during the current financial year.

### Revenue from Services

There is no revenue from services during the current financial year.

### Interest

Interest income is recognized on a time proportion basis (accrual basis) taking into account the amount outstanding and the rate applicable.

### Bad Debts Recovered

Bad Debts amounting to Rs. 19.34 crores have been recovered during the current financial year.

## 2.10) Taxes on Income

Provision for Taxation is made on the basis of the taxable profits computed for the current accounting period in accordance with the Income Tax Act 1961. Deferred Tax resulting from timing difference between Book Profits and Tax Profits is accounted for at the applicable rate of tax to extent the timing differences are expected to crystallize, in case of Deferred Tax Liabilities with reasonable certainty and in case of Deferred Tax Assets with virtual certainty that there would be adequate future taxable income against which Deferred Tax Assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes down the carrying amount of deferred tax asset to the extent that is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax assets can be realized. Any such right-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

**2.11) Impairment of Assets**

As at 31<sup>st</sup> March 2023 the company has reviewed the future earning of its cash generating unit in accordance with Ind AS 109. As per the Company's said review the carrying amount of the assets does not exceed the future recoverable amount consequently, no adjustment is considered necessary by the management.

**2.12) Provisions for Contingent liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be outflow of resources. Contingent liabilities are disclosed by way of notes.

**2.13) Earning Per Share**

Basic earning per share is computed by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earning per share is computed by taking into the account the aggregate of the weighted average number of equity shares outstanding during the period and weighted average number of equity shares which would be issued on conversion of all the dilutive potential equity shares into equity shares.

**2.14) Cash Flow Statement**

The cash flow statement has been in accordance with the Ind AS-7 on "Cash Flow Statements" issued by the Companies (Accounting Standard) Rules, 2013.

**2.15) Accounting policies not specifically referred to above are consistent with Ind Accounting Standards.**



# MODERN STEELS LIMITED

## NOTE: III

Property, Plant and Equipment

Amount in ₹ Thousand

Particulars	Land	Buildings	Plant and Machinery	Office Equipment	Furniture and Fixtures	Vehicles	Total	Capital work in progress
<b>Gross carrying value As at 31 March 2021</b>	24,73	15,09,66	1,12,66,45	1,70,48	1,21,18	59,79	1,31,52,29	66,88
Additions during the year	-	-	-	-	-	-	-	-
Deletions during the period	24,73	15,03,00	1,12,66,45	1,59,79	1,01,88	48,60	1,31,04,45	66,88
<b>As at 31 March 2022</b>	-	6,66	-	10,69	19,30	11,19	47,84	-
Additions during the period	-	-	-	-	-	-	-	-
Deletions during the period	-	-	-	-	-	-	-	-
<b>As at 31<sup>st</sup> March 2023</b>	-	6,66	-	10,69	19,30	11,19	47,84	-
<b>Accumulated depreciation as at 31 March 2021</b>	-	6,95,72	71,35,89	1,62,80	1,12,35	53,70	81,60,46	-
Depreciation for the year	-	30,16	3,19,74	1,91	35	3,71	3,55,87	-
Sales/Adjustments during the year	-	7,23,28	74,55,63	1,54,22	94,30	46,75	84,74,18	-
<b>Accumulated depreciation as at 31 March 2022</b>	-	2,60	-	10,49	18,40	10,66	42,15	-
Depreciation for the year	-	-	-	-	-	-	-	-
Sales/Adjustments during the year	-	-	-	-	-	-	-	-
<b>Accumulated depreciation as at 31<sup>st</sup> March 2023</b>	-	2,60	-	10,49	18,40	10,66	42,15	-
<b>Carrying value as at 31 March 2021</b>	24,73	8,13,94	41,30,56	768	8,83	6,09	49,91,83	66,88
<b>Carrying value as at 31 March 2022</b>	-	4,06	-	20	90	53	5,69	-
<b>Carrying value as at 31<sup>st</sup> March 2023</b>	-	4,06	-	20	90	53	5,69	-

## Note III-a

Intangible Assets

Amount in ₹ Thousand

Particulars	Computer Software
<b>Gross carrying value As at 31 March 2021</b>	1,39,63
Additions during the year	-
Sales/Adjustments during the year	1,39,63
<b>As at 31 March 2022</b>	-
Additions during the year	-
Sales/Adjustments during the year	-
<b>As at 31 March 2023</b>	-
<b>Accumulated depreciation As at 31 March 21</b>	1,27,61
Depreciation for the year	337
Sales/Adjustments during the year	1,30,98
<b>As at 31 March 22</b>	-
Depreciation for the year	-
Sales/Adjustments during the year	-
<b>As at 31<sup>st</sup> March 2023</b>	-
<b>Net carrying value</b>	
<b>As at 31 March 2021</b>	865
<b>As at 31 March 2022</b>	-
<b>As at 31<sup>st</sup> March 2023</b>	-

**NOTE: IV INVESTMENTS**

Particulars	As at 31 <sup>st</sup> March, 2023 ₹ in Thousand	As at 31 <sup>st</sup> March 2022 ₹ in Thousand
<b>OTHER INVESTMENT (at cost,unquoted)</b>		
28125 (28125) No. of Equity Shares of ₹10 each fully paid up in Nimbua Green Field (Punjab) Ltd.	2,81	2,81
<b>Total</b>	<b>2,81</b>	<b>2,81</b>

**NOTE: V CASH AND BANK BALANCES**

Particulars	As at 31 <sup>st</sup> March, 2023 ₹ in Thousand	As at 31 <sup>st</sup> March 2022 ₹ in Thousand
<b>Cash and Cash Equivalents</b>		
Balances with Banks		
In Current Accounts	51,17	41,29
Cash in hand	44	19
<b>Total</b>	<b>51,61</b>	<b>41,48</b>

**NOTE: VI SHORT TERM LOANS AND ADVANCES**

Particulars	As at 31 <sup>st</sup> March 2023 ₹ in Thousand	As at 31 <sup>st</sup> March 2022 ₹ in Thousand
<b>Unsecured, Considered Good</b>		
Balance with Statutory Authorities	43,48	43,48
Advances Recoverable	11,84,25	2,22,97
<b>Total</b>	<b>12,27,73</b>	<b>2,66,45</b>

**NOTE: VII CURRENT TAX ASSETS (NET)**

Particulars	As at 31 <sup>st</sup> March, 2023 ₹ in Thousand	As at 31 <sup>st</sup> March 2022 ₹ in Thousand
<b>Unsecured, Considered Good Others</b>		
Advance Tax and TDS	86,36	2,75,27
Income Tax	47,01	45,69
GST	6,75	-
<b>Total</b>	<b>1,40,12</b>	<b>3,20,96</b>





**NOTE: VIII TRADE RECEIVABLES**

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March 2022
	₹ in Thousand	₹ in Thousand
Unsecured, Considered good	3,87,38	3,88,88
Unsecured, Considered doubtful	-	-
	<b>3,87,38</b>	<b>3,88,88</b>
Less Provision for Doubtful Debts	<b>(3,87,38)</b>	<b>(3,88,88)</b>
<b>Total</b>	<b>-</b>	<b>-</b>

**NOTE: IX EQUITY SHARE CAPITAL**

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March 2022	
	Number	Amount in ₹ Thousand	Number	Amount in ₹ Thousand
<b>Authorised</b>				
Equity Shares of ₹10/- each	2,49,00,000	24,90,00	2,49,00,000	24,90,00
9.5% Redeemable Cumulative Preference Shares of ₹100/- each	10,000	10,00	10,000	10,00
		<b>25,00,00</b>		<b>25,00,00</b>
<b>Issued, Subscribed and Fully Paid Up</b>				
Equity Shares of ₹ 10/- each	1,37,62,359	13,76,24	1,37,62,359	13,76,24
	A	<b>13,76,24</b>		<b>13,76,24</b>
Forfeited Shares (Amount paid up)		33		33
Forfeited Warrants (Amount paid up)		63,66		63,66
	B	<b>63,99</b>		<b>63,99</b>
<b>Total</b>	<b>(A+B)</b>	<b>14,40,23</b>		<b>14,40,23</b>

**a) Reconciliation of number and amount of equity shares**

	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March 2022	
	No. of Shares	Amount ₹ in Lakhs	No. of Shares	Amount ₹ in Lakhs
Number and amount of equity shares at the beginning	1,37,62,359	13,76	1,37,62,359	13,76
Add: Number and amount of equity shares Issued during the period	-	-	-	-
Number and amount of equity shares at the end	<b>1,37,62,359</b>	<b>13,76</b>	<b>1,37,62,359</b>	<b>13,76</b>

**b) Rights, Preferences, restrictions attached to equity shareholders:-**

"The company has two classes of shares referred to as Equity Shares having par value of Rs.10/- each and 9.5% Redeemable cumulative Preference Shares of Rs.100/- each.

The Company has issued equity shares only. Hence rights / preferences applicable for Redeemable cumulative Preference capital are not disclosed separately.

Each Equity Shareholder is entitled to one vote per share.

The Company declares and pays dividend in Indian Rupees. In respect to Equity Shares, the dividend if any, proposed by the Board Of Directors will be subject to approval of shareholders in Annual General Meeting.

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

c) Share held by holding Company or its ultimate holding company or subsidiary or associates of the holding company or the ultimate holding in aggregate Nil (Nil).

d) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without being received in cash Nil(Nil), bonus shares and shares back for the period of five years immediately preceding the reporting date Nil (Nil).

**e) Shareholders holding more than 5% shares as at balance sheet date**

Name of Equity Share Holders	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
	No. of Shares	Amount ₹ in Lakhs	%	No. of Shares	Amount ₹ in Lakhs	%
1 Mr. Krishan Kumar Goyal	24,96,179	249.62	18.14	24,96,179	249.62	18.14
2 Mrs. Alka Goyal	14,88,840	148.88	10.82	14,88,840	148.88	10.82
3 Mr. Amarjit Goyal	11,89,250	118.92	8.64	11,89,250	118.92	8.64
4 M/s Nabha Commerce Pvt. Ltd.	8,37,750	83.77	6.09	8,37,750	83.77	6.09
5 Mr. Aditya Goyal	7,95,590	79.56	5.78	7,95,590	79.56	5.78
<b>Total</b>	<b>68,07,609</b>	<b>680.75</b>	<b>49.47</b>	<b>68,07,609</b>	<b>680.75</b>	<b>49.47</b>

**f) Detail of Shareholding by Promoters**

Particulars	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
	Number	Amount ₹ in Lakhs	% of Total Shares of the company	Number	Amount ₹ in Lakhs	% of Total Shares of the company
Equity shares of ₹ 10 each						
Mrs. Alka Goyal	1488840	148.88	10.82%	1488840	148.88	10.82%
Mr. Krishan Kumar Goyal	2496179	249.61	18.14%	2496179	249.61	18.14%
Krishan Kumar Goyal (HUF)	546000	54.60	3.97%	546000	54.60	3.97%
Amarjit Goyal (HUF)	370000	37.00	2.69%	370000	37.00	2.69%
Mr. Amarjit Goyal	1189250	111.89	8.64%	1189250	111.89	8.64%
Mr. Aditya Goyal	795590	79.55	5.78%	795590	79.55	5.78%
Chandigarh Finance Pvt. Ltd.	380625	38.06	2.77%	380625	38.06	2.77%
Indo Pacific Finance Ltd.	680000	68.00	4.94%	680000	68.00	4.94%
Times Finvest and Commerce Ltd	234702	23.47	1.71%	234702	23.47	1.71%
Nabha Commerce Pvt. Ltd.	837750	83.77	6.09%	837750	83.77	6.09%
<b>Total</b>	<b>9018936</b>	<b>894.83</b>	<b>65.55%</b>	<b>9018936</b>	<b>894.83</b>	<b>65.55%</b>



**g) Forfeiture of share warrants**

In the F.Y. 2011-12, the amount paid up on 771641 warrants @ Rs.8.25/- (per warrant) of Rs.63.66 lacs stands forfeited.

**NOTE: X OTHER EQUITY**

Particulars	As at 31 <sup>st</sup> March, 2023 ₹ in Thousand		As at 31 <sup>st</sup> March, 2022 ₹ in Thousand	
	Securities Premium Account		13,42,20	
Capital Reserve Account		-		-
General Reserve		24,96,66		24,96,66
(Balance at the beginning and at the end of the year)				
<b>Surplus/(Deficit) in the Statement of Profit and Loss</b>				
- Balance at the beginning of year	(53,80,26)		(1,31,30,61)	
Prior period items	-		-	
Add/Less: Transferred from Statement of Profit & Loss	13,83,13		77,50,35	
- Balance at the end of the year		(39,97,13)		(53,80,26)
<b>Total</b>		<b>(1,58,27)</b>		<b>(15,41,40)</b>

**NOTE: XI SHORT TERM BORROWINGS**

Secured Loan	As at 31 <sup>st</sup> March 2023 ₹ in Thousand		As at 31 <sup>st</sup> March 2022 ₹ in Thousand	
	Banks			
<b>Unsecured Loan</b>				
- Related parties		1,27,45		4,52,09
- Others		-		2,52,38
<b>Total</b>		<b>1,27,45</b>		<b>7,04,47</b>

**NOTE: XII TRADE PAYABLES**

Particulars	As at 31 <sup>st</sup> March 2023 ₹ in Thousand		As at 31 <sup>st</sup> March 2022 ₹ in Thousand	
	- Dues to Micro, Small & Medium Enterprises		-	
- Dues to Others		15,34		22,35
<b>Total</b>		<b>15,34</b>		<b>22,35</b>

**As at  
31<sup>st</sup> March 2023  
₹ in Thousand**

Trade Payables aging schedule	MSME	Others	Disputed dues – MSME	Disputed dues – Others
< 1 year	-	1034 (2235)	-	-
1-2 years	-	500 (-)	-	-
2-3 years	-	-	-	-
> 3 years	-	-	-	-
<b>Total</b>	-	1534 (2235)	-	-

**NOTE: XIII OTHER CURRENT LIABILITIES**

Particulars	As at 31 <sup>st</sup> March 2023 ₹ in Thousand	As at 31 <sup>st</sup> March 2022 ₹ in Thousand
Expenses payables	2,12	3,74
Statutory dues payables	1,09	8,01
<b>Total</b>	3,21	11,75

**NOTE: XIV REVENUE FROM OPERATIONS**

Particulars	Year ended 31 <sup>st</sup> March 2023 ₹ in Thousand	Year ended 31 <sup>st</sup> March 2022 ₹ in Thousand
Sale of Products	-	16,99,03
Other Operating Revenue	-	85,04,82
<b>Total</b>	-	1,02,03,85

**NOTE: XV OTHER INCOME**

Particulars	Year ended 31 <sup>st</sup> March 2023 ₹ in Thousand	Year ended 31 <sup>st</sup> March 2022 ₹ in Thousand
a) Interest Income	25,72	15,88
b) Other Non-Operating Incomes	-	79,75,26
c) Bad debts recovered	19,34,44	47,22
d) Provision for doubtful debts written back	1,50	-
e) Misc Income	2,64	-
f) Previous Year Income	2,25	-
g) Insurance Claimed	1,00	-
<b>Total</b>	19,67,55	80,38,36

**NOTE: XVI COST OF MATERIAL CONSUMED**

Particulars	Year ended 31 <sup>st</sup> March 2023 ₹ in Thousand	Year ended 31 <sup>st</sup> March 2022 ₹ in Thousand
Consumption of Scrap	-	2,79,46
Consumption of Additives	-	7,51,48
<b>Total</b>	-	10,30,94

**NOTE: XVII CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS**

Particulars	Year ended 31 <sup>st</sup> March 2023 ₹ in Thousand	Year ended 31 <sup>st</sup> March 2022 ₹ in Thousand
<b>Opening Stock</b>		
Finished Goods	-	1,85,15
<b>Total</b>	-	1,85,15
<b>Closing Stock</b>		
Finished Goods	-	-
<b>Total</b>	-	1,85,15

**NOTE: XVIII EMPLOYEE BENEFITS EXPENSES**

Particulars	Year ended 31 <sup>st</sup> March 2023 ₹ in Thousand	Year ended 31 <sup>st</sup> March 2022 ₹ in Thousand
Salary Wages and Bonus	10,33	11,93,38
Contributions to Provident and Other Fund	-	1,03,20
Gratuity	-	38,70
Staff & Workers Welfare	-	1,69,81
<b>Total</b>	<b>10,33</b>	<b>15,05,09</b>

**NOTE: XIX FINANCE COST**

Particulars	Year ended 31 <sup>st</sup> March 2023 ₹ in Thousand	Year ended 31 <sup>st</sup> March 2022 ₹ in Thousand
Interest Expense	24,13	86,16
Bank & Other Charges	7	-
<b>Total</b>	<b>24,20</b>	<b>86,16</b>

**NOTE: XX OTHER EXPENSES**

Particulars	Year ended 31 <sup>st</sup> March 2023 ₹ in Thousand	Year ended 31 <sup>st</sup> March 2022 ₹ in Thousand
Consumption of Stores and Spares parts	-	21,42,44
Power and Fuel	-	39,43,53
Other Manufacturing Expenses	-	7,16,11
Conversion Charges	-	7,27,63
Rent	-	3,15
<b>Repairs and Maintenance:</b>		
- Building	-	3,22
- Machinery	-	21,04
- Others	-	72
Insurance	-	14,41
Rate & Taxes	-	5,70
Audit Fee	2,00	10,70
Travelling and Conveyence	-	18,94
Forwarding Expenses	-	6,23
Bad Debt written off	-	(45,98)
Provision for Doubtful Debts	-	45,98
Miscellaneous Expenses	42,25	1,48,76
<b>Total</b>	<b>44,25</b>	<b>74,62,58</b>

**NOTE: XXI CONTINGENT LIABILITIES & COMMITMENTS**

Particulars	As at 31 <sup>st</sup> March 2023 ₹ in Lakhs	As at 31 <sup>st</sup> March 2022 ₹ in Lakhs
<b>Contingent Liabilities:</b>		
Claim against the Company not acknowledged as debts	1,28	1,91

**NOTE: XXII EARNINGS PER SHARE:**

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Profit / (Loss) after taxation as per Statement of profit and Loss (₹ in lakhs)	13,83	77,50
Equity shares outstanding (Numbers)	1,37,62,359	1,37,62,359
Basic earnings per share in rupees (face value ₹ 10/- each)	10.05	56.31
Diluted earnings per share in rupees (face value ₹ 10/- each)	-	-

**NOTE: XXIII PAYMENT TO AUDITORS\***

Particulars	As at 31 <sup>st</sup> March 2023 ₹ in Thousand	As at 31 <sup>st</sup> March 2022 ₹ in Thousand
Payment to Auditor (*Exclusive of GST)	2,00	9,35

**NOTE: XXIV STATEMENT OF TURNOVER AND CLOSING STOCK**

₹ in Lakhs

Particulars	Turnover	Finished Goods		Work in Process	
		Closing Stock	Opening Stock	Closing Stock	Opening Stock
<b>Concast Billets this year</b>	-	-	-	-	-
Previous year	-	-	-	-	-
<b>Rolled Product this year</b>	-	-	-	-	-
Previous year	12	-	-	-	-
<b>Induction Ingots this year</b>	-	-	-	-	-
Previous year	-	-	-	-	-
<b>Auto Components this year</b>	-	-	-	-	-
Previous year	86	-	-	-	-
<b>Others this year</b>	-	-	-	-	-
Previous year	16,01	-	-	-	-
<b>Current year</b>	-	-	-	-	-
Previous year	16,99	-	-	-	-





**NOTE: XXV** The Information required by paragraph 5 of general instructions for preparation of the statement of profit and loss as per schedule III of Companies Act, 2013

Particulars	As at 31 <sup>st</sup> March 2023 ₹ in lakhs		As at 31 <sup>st</sup> March 2022 ₹ in lakhs	
	<b>a) Value of Imports (CIF Basis)</b>			
1) Raw Material	-		-	
2) Stores & Spares	-		-	

Particulars	As at 31 <sup>st</sup> March 2023 ₹ in lakhs		As at 31 <sup>st</sup> March 2022 ₹ in lakhs	
	%age	Value	%age	Value
<b>b) Value of Raw Material Consumed</b>				
Cost of Materials Consumed:				
Imported	-	-	3.69	38
Indigenous	-	-	96.31	9,93
				<u>10,31</u>
Store & Spares				
Imported	-	-	-	-
Indigenous	-	-	100	21,42
				<u>21,42</u>

**NOTE: XXVI SEGMENT REPORTING**

The Company is engaged only in the business of Steel Manufacturing which is the reportable segment in accordance with the requirements of Indian Accounting Standards (IndAS) – 108 on operating segments as prescribed under the Companies (Indian Accounting Standards) rules 2015 as prescribed under section 133 of The Companies Act 2013.

**NOTE: XXVII** In the opinion of the Board of Directors, Current Assets, Loan and Advances have value on realization in the ordinary course of business at least equal to the amounts at which they are stated and provision for all known liabilities have been made in accounts.

**NOTE: XXVIII** As per the Ind AS – 24 issued by the Institute of Chartered Accountants of India “Related Party Disclosure “. In view of this the company has given the following disclosures for the year.

The company has identified the related parties having transactions during the year, as per detail given below. No provision for doubtful debts is required to be made & no amount was written off during the year.

**A) Related Party and their relationship**

Key Management Personnel	Enterprises over which KMP and relatives of such personnel are able to exercise significant influence
Mr. Krishan Kumar Goyal	Chandigarh Finance Pvt. Ltd.
Ms. Deepa	Smile Finvest Pvt. Ltd.
Mr. Suresh Kumar Puri	Mala Builders Pvt. Ltd.

**B) Transactions with the related parties**

(₹ in Lakhs)

Particulars	Key Management Personnel	Relatives of Key Management Personnel & their enterprises
Remuneration Including Perks	10 (21)	- (-)
Interest On Unsecured Loan	12 (23)	- (-)
Loan Taken	39 (-)	- (-)
Loan Given	601 (-)	- (-)
Interest Received	6 (-)	- (-)
Loan Repaid	348 (-)	- (-)
Share of Expenses paid	- (50)	- (-)
Sales Of Finished Products/ Assets	- (-)	- (431)

**NOTE: XXIX GOING CONCERN**

The company has sold its both manufacturing facilities to M/s Arjas Steel Pvt. Ltd under Business transfer agreement. Hence going concern is not applicable.

**NOTE: XXX** Figures for the previous year have been regrouped, rearranged and reclassified wherever considered necessary.

**NOTE: XXXI Financial Ratios**

Sr No.	RATIOS	FORMULAS	2022-23	2021-22
1	CURRENT RATIO	CURRENT ASSET/CURRENT LIABILITIES	9.722	0.857
2	DEBT EQUITY RATIO	TOTAL DEBT/ SHAREHOLDER EQUITY	0.000	0.000
3	DEBT SERVICE COVERAGE RATIO	NET OPERATING INCOME/DEBT SERVICE	58.158	93.578
4	RETURN ON EQUITY RATIO	NET INCOME/SHAREHOLDER EQUITY	1.079	-80.25
5	INVENTORY TURNOVER RATIO	COGS/AVG INVENTORY	0.000	13.137
6	TRADE RECEIVABLE TURNOVER RATIO	NET CREDIT SALE/AVG ACCOUNT RECIEVABLE	0.000	14.429
7	TRADE PAYABLE TURNOVER RATIO	NET CREDIT PURCHASE/AVG ACCOUNT PAYABLE	0.000	0.547
8	NET CAPITAL TURNOVER RATIO	NET ANNUAL SALES / WORKING CAPITAL	0.000	-97.048
9	RETURN ON CAPITAL EMPLOYED	EBIT/CAPITAL EMPLOYED	1.098	-79.716
10	RETURN ON INVESTMENT	NET RETURN ON INVESTMENT/ASSETS	0.969	12.166

**For APT & CO LLP**

Chartered Accountants

Firm Registration No. 014621C/N500088

**For MODERN STEELS LIMITED****SURESH KUMAR PURI**

Chief Financial Officer

**KRISHAN KUMAR GOYAL**Chairman & Managing Director.  
(DIN:00482035)**CA Amrit Pal Singh**

Partner

M. No. 508134

**DEEPA**

Company Secretary

**SATISH KUMAR KAPOOR**

Director

(DIN: 00009122)

Place: Chandigarh

Dated: 12<sup>th</sup> May, 2023







