

SMEL/SE/2022-23/37

September 01, 2022

<p><b>The Secretary,</b>  <b>Listing Department, BSE Limited</b>          Phiroze Jeejeebhoy Towers,          Dalal Street, Mumbai 400 001          Maharashtra, India          Scrip Code: <b>543299</b></p>	<p><b>The Manager – Listing Department</b>  <b>National Stock Exchange of India Limited</b>          “Exchange Plaza”, 5th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (East),          Mumbai 400 051, Maharashtra, India          Symbol: <b>SHYAMMETL</b></p>
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**Sub: Notice and Annual Report of 20<sup>th</sup> Annual General Meeting of the Company**

**Re: Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)**

**Dear Sir/Madam,**

This is in furtherance to our letter dated 02nd August, 2022, we hereby inform you that the 20th Annual General Meeting of the Company will be held on Monday, 26th September, 2022 at 3:00 P.M through Video Conferencing (VC) /Other Audio-Visual means (OAVM).

In continuation to the aforesaid letter and in compliance with Regulation 30 and 34 of the Listing Regulations (as amended), we are enclosing herewith the Annual Report of the company for the Financial Year 2021-22 incorporating Notice of the 20th Annual General Meeting (including e-voting instructions).

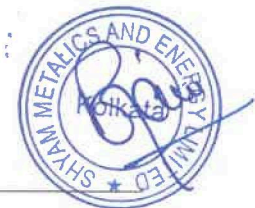
The Notice of the 20<sup>th</sup> Annual General Meeting is also available on the Company's website at the weblink:

<https://www.shyammetalics.com/wp-content/themes/shyam/assets/investors/annual-return/AGM-Notice-2022.pdf>

and the Annual Report of the Company for the FY 2021-22 at the weblink:

<https://www.shyammetalics.com/wp-content/themes/shyam/assets/investors/annual-return/Annual-Report-FY-2021-22.pdf>

In compliance with Circulars issued by the Ministry of Corporate Affairs (MCA) and SEBI copies of the Annual Report for FY 2021-22 and Notice of the 20th Annual General Meeting of the Company (including E-voting instructions) are being sent through electronic mode to all the Members whose email addresses are registered with Registrar and Transfer Agent viz. KFIN Technologies Limited or the Depository Participant(s). Any Member who wish to obtain hard copy of Annual Report can send a request for the same at email id – [compliance@shyamgroup.com](mailto:compliance@shyamgroup.com) mentioning Folio No./ DP ID and Client ID.




**SHYAM METALICS AND ENERGY LIMITED**

OUR BRANDS: **SEL**<sup>®</sup>



REG. OFFICE: Trinity Tower, 7th Floor, 83, Topsia Road, Kolkata - 700 046, West Bengal, CIN: U40101WB2002PLC095491 GSTIN: 19AAHCS5842A2ZD

SALES & MARKETING OFFICE: Viswakarma Building, North West Block, 1st, 2nd & 3rd Floor, 86C, Topsia Road, Kolkata - 700 046

T: +91 33 4016 4001 F: +91 33 4016 4025 Email: [contact@shyamgroup.com](mailto:contact@shyamgroup.com) Web: [www.shyammetalics.com](http://www.shyammetalics.com) Follow us on: 

**Cut-off date and E-voting details:**

Provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time and read with relevant MCA Circulars and SEBI Circulars, the Company is pleased to provide all its Members the facility to exercise their vote electronically at the 20th Annual General Meeting of the Company, on all resolutions set forth in the Notice of the Annual General Meeting.

Members of the Company holding shares either in physical or in dematerialized form as on the **cut-off date, i.e., Monday, 19<sup>th</sup> September, 2022** may exercise their votes electronically. The voting rights of Members shall be in proportion to their share in paid up equity capital of the Company as on cut-off date.

A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting at the Annual General Meeting.

**The remote e-voting period begins on Friday, 23<sup>rd</sup> September, 2022 at 9:00 A.M. (IST) and ends on Sunday, 25<sup>th</sup> September, 2022 at 5:00 P.M. (IST).**

**Book Closure and Record Date:**

**Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of the Listing Regulations, the Register of Members and the Share Transfer Registers of the Company shall remain closed from Tuesday, September 20, 2022 to Monday, September 26, 2022 (both days inclusive), for the purpose of the AGM and payment of dividend. Record date for the purpose of determining entitlement of final dividend shall be Monday, 19<sup>th</sup> September, 2022.**

The Company is providing VC facility through NSDL platform for the Members to participate in the Annual General Meeting. The detailed instruction for e-voting, participation in the Annual General Meeting through VC and remote e-voting have been provided in the Notice of the Annual General Meeting. Further, Members may attend the AGM by using the same login credentials for e-voting at <https://www.evoting.nsdl.com>.

This is for your information and record.

Thanking You,  
**For Shyam Metalics and Energy Limited**

**Birendra Kumar Jain**  
**Company Secretary**  
**ICSI Membership No. ACS 8305**



Encl: as above

**SHYAM METALICS AND ENERGY LIMITED**

OUR BRANDS:

**SEL®****SEEL®**  
**TIGER**  
550D TMT RE-BAR**SEEL®**  
**TIGER**  
GRILLS & STEELS

REG. OFFICE: Trinity Tower, 7th Floor, 83, Topsia Road, Kolkata - 700 046, West Bengal, CIN: U40101WB2002PLC095491 GSTIN: 19AAHCS5842A2ZD

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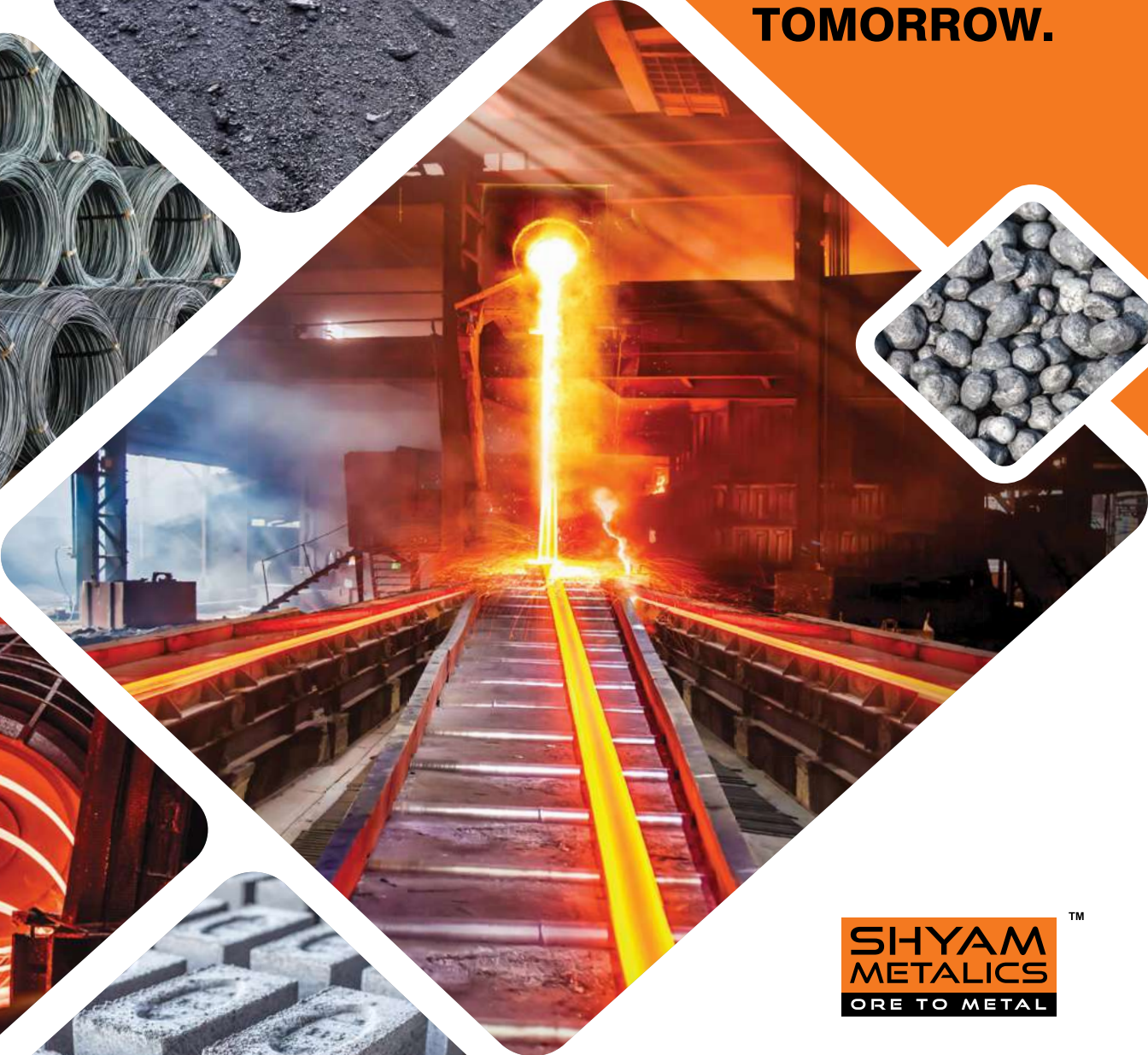
T: +91 33 4016 4001 F: +91 33 4016 4025 Email: [contact@shyamgroup.com](mailto:contact@shyamgroup.com) Web: [www.shyammetalics.com](http://www.shyammetalics.com) Follow us on:    



**Shyam Metals and Energy Limited**  
Annual Report 2021-2022



**FORGING  
FOUNDATIONS.  
FUELLING  
TOMORROW.**



**SHYAM  
METALICS**  
ORE TO METAL

TM



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<https://www.shyammetals.com/investors/annual-report-and-return/>




Scan this QR code to navigate investor related information

National Stock Exchange Limited (NSE Stock Code)	SHYAMMETL	Bombay Stock Exchange Limited (BSE Stock Code)	543299
*AGM Date	26.09.2022 at 3.00 P.M.	Dividend (including interim)	₹ 7.20/- per share

\*AGM Mode through Video conferencing/Other Audio Visual Means





The most interesting aspect of our journey is that we have always evolved with changing times. Over the years, we've witnessed great achievements and successful endeavours – creating a lasting legacy of strength and endurance.

Since our inception, we have focused on acquiring unique skills. Along the way, we have focused on keeping our values intact and learning from our experiences. Today, we have emerged as one of the foremost players in the iron & steel industry. With a diverse product portfolio, ability to innovate and introduce advanced solutions, we have consistently satisfied stakeholder requirements.

It is time to go beyond the change.  
It is time to transform.  
It is time for a new future.

The steel industry is marching ahead through an attractive phase of substantial growth enabled by robust demand and various geopolitical factors favouring our demography. The Government of India is also encouraging the domestic industry and has laid out the ambitious Production Linked Incentive (PLI) scheme to enhance manufacturing capabilities and exports under the Aatmanirbhar Bharat mission. The government has also laid plans for robust infrastructure creation. This will give a huge boost to the demand for iron & steel products. We are well positioned to capitalise on the opportunities due to our integrated operations and presence across the entire value chain of iron & steel.

We have also expanded our product offering by commissioning an aluminium foil plant and enhancing our product basket. We have completed the legal formalities for taking over the custody and control of Ramsarup Industries Limited pursuant to the direction of Hon'ble National Company Law Tribunal (NCLT). With this we would be able to enter new product categories and enhance shareholders value.

*We thus see tomorrow's growth through the expansive prism of our solid foundations.*



An **Indian** citizen consumes nearly 76 kg of steel a year. On the other hand the **global** consumption remains at 233 kg and the consumption by an average **Asian** remains at 306 kg of steel a year. A **South Korean** alone consumes 1076 kg of steel a year.

See the **opportunity**.

While you are travelling did you know that around 900 kg of **steel** has been used to manufacture the car; while you are enjoying your home comfort did you know around 4 kg of **steel** has been used for the per square feet built up area of that home; while you are travelling between 2 destination via railway did you know around 70 kg of **steel** per meter has been used to construct the flat ground rail; while watching a television or working on laptop or using an air-conditioner while sleeping, the power carried through one-to-other location through high-voltage transmission lines uses 27,000 kgs of **steel** per tower. See the **opportunity**.

**Iron & Steel**  
**everywhere.**





## Shyam Metalics and Energy Limited

is not just one of  
the largest iron & steel  
manufacturers in the  
country.

It is one company in three. An iron &  
steel manufacturer of repute. A captive  
power producer. A competitive exporter.

It is one of the specialised end-to-end  
integrated iron & steel products supplier.  
Focusing on product customisation, Value-  
addition, Repeat customer engagement, Locational  
diversification and capacity growth.

Delighting the shareholders through its outperformance  
since listing.

Following sustainable business practices.





## A sneak-peek into Shyam Metals and Energy Limited

“Shyam Group” was originally incorporated during 1981 when it started to trade in Iron and Steel Products. During 2002-2006 Shyam Metals and Energy Limited (originally incorporated as Shyam DRI & Power Limited) expanded with a manufacturing facility in the state of Odisha. The Company is built on strong ethos of passion, values, dynamism & resilience and remains committed towards the robust infrastructure creation. The Company is present across the entire steel value chain – manufacturing of pellets at one end to finished rolled products on the other.



**Vision:** Founded with the vision of providing strength to the infrastructure & construction industry, Shyam Metals and Energy Limited through an integrated system of tools, techniques and training constantly strives to achieve and maintain the highest quality parameters.



**Mission:** The mission of our Company is to empower the dominance of the organisation in the local market thereby expanding and developing a strong presence across the country.



## Why Shyam Metalics is so close to investors?

<b>Rich Experience</b>	<b>Promoters Legacy</b>	<b>Location</b>	<b>Range</b>
 <p>Approximately 4 decades of experience in iron &amp; steel industry</p>	 <p>Started by 1st generation entrepreneur Mr. Mahabir Prasad Agarwal (Chairman). A core Promoter Group led by Mr. Brij Bhushan Agarwal (Vice Chairman and Managing Director) and Mr. Sanjay Kumar Agarwal (Joint Managing Director) backed by a strong professional team.</p>	 <p>Manufacturing facilities at Sambalpur, Jamuria, Mangalpur and Pakuria. Registered and Corporate Offices at Kolkata.</p>	 <p>Catering to entire range of products in the iron &amp; steel segment – Long products, Flat products and Ferro Alloy.</p>
<b>Brand Standing</b>	<b>Market Share</b>	<b>Sales presence</b>	<b>Strong performance</b>
 <p>SEL Tiger TMT Bar endorsed by leading actor Mr. Salman Khan.</p>	 <p>Strong presence in Eastern India, followed Central, Northern and Western parts of India. We aim to increase our visibility in Southern India.</p>	 <p>Products marketed through an extensive distribution network of 800 dealers and Eastern distributors.</p>	 <p>Consolidated turnover of more than ₹10,364.32 crores and PAT of ₹ 1,724.18 Crores. Shop Floor performance (steel production) jumped by 5.42% on a consolidated basis.</p>
<b>Happy Shareholders</b>	<b>Human Resource</b>	<b>Quality Commitment</b>	<b>Nation Building</b>
 <p>Networth as on 31.03.2022 ₹ 5,834.67 crores. Thrice Dividend (Two Interim &amp; One Final) declared during the year.</p>	 <p>Total Human Resource strength of 12,272 (Permanent &amp; Contractual).</p>	 <p>Following quality-first strategy which is validated through various accreditations.</p>	 <p>Providing employment directly and indirectly through the entire value chain.</p>



*Dear Shareholders*

It gives me immense pleasure to report a strong operating and financial performance of Shyam Metalics and Energy Limited (SMEL) for the year 2021-22. We have constantly challenged ourselves to deliver more and set new benchmarks in the process.

### Outperformance

Strong operational achievements were complemented by a robust financial performance that returned to the shareholders in form of dividend. This was made possible by the skill and commitment of our management and employees, who delivered the planned ramp-ups across our manufacturing units.

Added, a disciplined capital allocation approach, underpinned by strong commodity prices, provided further strength to our performance. We celebrate a journey of continued resilience in the year gone by, coupled with optimism for a better future. As one of India's largest ore to metal Company, we continue to create jobs, support our host communities and generate value along our entire supply chain. In midst of all:

- We reported a consolidated revenue of ₹10,394 Crores, growth of 65% over the last year.
- Our consolidated EBITDA grew by 87% to ₹ 2,600 Crores for the year ended March 31, 2022.

## Chairman's Communique

- We reported an exceptional consolidated net profit growth of 104% for the year ended March 31, 2022.
- We declared interim dividend on two occasions @ 22.5% (₹ 2.25/- per equity share). With a strong net cash flow from operating activity we further declared a final dividend per share of ₹ 2.70 subject to approval of the shareholders.

### Forging foundations for fuelling tomorrow's growth

Shyam Metalics does not only intend to become a larger Company, it intends to become a more profitable Company as well. In doing so, the Company is clearly reinventing itself through various organic and inorganic initiatives which would help the company to leverage its brand leaps and bounds.

### Committed to sustainability

In our move towards sustainable growth and value creation, we have appointed Growlity Inc., management consultants for a comprehensive diagnostic study on our company's Environmental, Social & Governance (ESG) fundamentals, implementation ESG framework & compliance thereof. In parallel to our ongoing drive towards sustainable growth, we are also determined to safeguard our environment and contribute to uplift our society while generating value through our ESG framework and that will provide us an opportunity to develop and maintain a culture of business sustainability and material aspects to our stakeholders.

### Looking ahead with confidence

Moving forward, I am confident that we will continue to uphold our true spirit of maintaining strong governance practices, creates benchmark performance, and continue to instil confidence among our stakeholders. SMEL enjoys a strong presence in the iron & steel industry and is a true leader in this dynamic market. The energy, spirit and adaptive approach we've brought, augmented by the resolute commitment and efficiency of our employees and channel partners, will certainly help us maintain our leadership position and grow our footprints in coming years. Thank you to all of you, our valued shareholders, for your trust and confidence in Shyam Metalics and Energy Limited. Your support goes a long way in inspiring us to deliver business excellence and a strong financial performance.

With warm regards

**Mahabir Prasad Agarwal**

Chairman



## Drivers of our partnership approach



Customer's  
centricity



Management  
bandwidth



People's  
excellence



Technical  
process



Manufacturing  
excellence



Quality & efficient  
focus



Collaborative  
and responsive  
approach



Open for  
innovation



Corporate  
Governance



## Vice Chairman and Managing Director's perspective



I am really happy to share with you Shyam Metalics and Energy Limited first complete annual report following the company's successful IPO and listing. This is unquestionably a turning point in our business strategy, and I would like to use this as an opportunity to express my gratitude to all of our shareholders for their overwhelmingly positive response to our IPO which was oversubscribed by more than 10 times and today we are a family of more than 1,60,000 valued shareholders.

*Dear Shareholders*

Greetings!!

This fiscal year, Shyam Metalics, as an organisation, has been able to demonstrate what we can achieve by focusing on operational excellence, adopting capital prudence across the board, and leveraging our experienced and capable team. We have come a long way in the last four decades.

From being a 0.12 MTPA DRI plant at Sambalpur in 2006 to a conglomerate with a multi-location portfolio of Iron & Steel, Captive Power and Aluminium Foil, we continue to march steadfastly on the path shown by our management. We would like to thank you for your support so far and we are excited to see what we can achieve together in the years to come.

Notwithstanding a global emergency led disruptions, global supply-chain disruptions followed by various geo-political tensions during FY2022, we have been able to report a consolidated profit before tax growth of 124.12% to ₹ 2,364.33 crores. This is a resounding validation of our strong strategy put into action over the years, and implemented meticulously by an experienced and committed team of professionals *which today has led our Company to come amongst Top 500 companies in India.*

### Steel scenario

Global construction activity continued to recover from the lockdowns to record growth of 3.4% despite a contraction in

China in 2021. The recovery was driven by an infrastructure push as part of recovery programmes in many countries, and investments related to the energy transition will likely drive the construction sector's growth for years to come.

The domestic steel industry, which grew between 5% to 7% on a year-on-year basis, is expected to play a bigger role in enabling India to achieve the 5 trillion economy target by 2025. We anticipate that the recent government policy announcements about railways, roads, civil aviation, gas pipelines for affordable housing, and increased budgetary allocation to this sector would support a relatively solid demand recovery and drive the need for iron & steel products.

### Different positioning

At Shyam Metalics, we are favourably placed to capitalise on these emerging realities. We have, across the last four decades demonstrated our ability to grow and in doing so we remained EBITDA positive since commencement of our operations in 2005; our revenue & profits (PBT) grew at a five-year CAGR of 21.98% and 36.02% respectively; we had one of the lowest gearing (0.09X Debt:Equity Ratio); received AA-(Positive) Credit Rating from CRISIL & CARE for Long-term Bank facilities and A1+ (Positive) for Short-term Bank facilities from CRISIL & CARE; and thus we outperformed our industry growth for differentiated – even contrarian – reasons.

- We sourced our raw materials within a 250 km radius of our operations and with long-term agreements.



- Our captive power plants have not only put us a tag of 'crusader of green source of power' they have also steeply reduced our production cost. This has enabled us to enhance our margins.
- The private railway siding accelerated the raw material inflow which enhanced our asset utilisation and helped us to maximise cash flow.
- We utilised the IPO proceeds judiciously. Out of the Capex of ₹2,960 crores announced during the IPO, we have already incurred ₹1,529 crores and capitalised ₹894.25 crores of assets during 2021-22. The remaining amount of ₹1,430 crores will be expanded over the next two financial years. We are further going to put ₹990 crores for various integration and expansion programmes.
- While most steel companies focused on select products, we created a large bouquet of downstream products to tide over sectoral cyclicalities. In doing so, we created the flexibility to market a wide range of products to capitalize on market dynamics and cater to the growing market needs of those products as well.
- The result was that while 64% of our revenue was generated through finished steel products, we successfully marketed our products to demanding domestic institutional customers like RITES, HCC, Shapoorji Pallonji, Govt Of West Bengal, Govt of Assam, NHAI, Indian Railways, ITD Cementation, etc. We also marketed our products to 20 countries outside India and our leading customers included Norecom DMCC, Posco, World Metals & Alloys (FZC), Traxys, JM Global Resources, etc.

### Our strategic blueprint

We intend to continue investing in our assets in phased manner with the objective to scale production to 14.45 MTPA of Finished Steel Products, widen our product basket, reduce costs and enhance value-addition, the combination of which is expected to strengthen our competitive advantage in the following ways:

By enhancing the proportion of sales of long steel products and widen the reach of "SEL" brand. We also intend to reach our footprints to newer geographies across the world thus reducing our dependence on a single geography.

We also recently commissioned an Aluminium Foil plant at Pakuria, West Bengal with a capacity to produce 40,000 TPA of various Aluminium Foil products and is expected to add significantly to our top line from FY 22-23.

During the year under review, we have also acquired 90% stake in Shree Venkateshwara Electrocast Pvt Ltd. through our subsidiary. The company is engaged in manufacturing of Aluminium products.

We recently acquired Kolkata based Ramsarup Industries Limited through our subsidiary. By proper planning and execution measures, we intend to bring on board the benefits of the acquisition.

### Valued based branding

Shyam Metalics is a brand with a focus on making a difference in infrastructure, construction, railway and other industries where products manufactured by the Company finds its relevance. We work continuously to redefine our brand and business strategy to address the ever growing demand coming out from the downgrade user industries. Our differentiated branding strategy comprises advertising in print media and electronic media. We have roped in Mr. Salman Khan, leading actor from Bollywood to market our long and structural products. We market our products under the brand "SEL". It has a country wide acceptance with strong pull among leading infrastructure companies.

### Sustainable operations

We are strengthening our sustainability journey by broad basing our Environmental, Social, and Governance (ESG) commitments. We have outlined our targets and are closely monitoring our progress. We have also committed to combat climate change. Our target is to reduce specific direct net CO<sub>2</sub> emissions. Further, we have augmented our capacities to meet our energy requirements through captive power, reducing wastages by using alternate sources of raw materials without compromising on the quality of finished products. We strive to increase water efficiency, minimise waste water, recharge ground water sources, maintain zero-effluent discharge and significantly reduce noise and dust pollution.

With a vision to create value for all stakeholders, we focused on the health, safety and wellbeing of our employees and all other stakeholders while deploying effective engagement mechanisms and community prosperity programs including education, rural infrastructure, healthcare, sports, women empowerment, social infrastructure development amongst many. To achieve all its ambitions, we also have in place a strong governance framework which fosters a culture of ethics, transparency and integrity.

### Way forward

I am grateful to the management team for their wise counsel and enthusiastic participation in our journey. Thanks to all shareholders of the Shyam Metalics family for their heart-warming encouragement and support.

We are fully geared for a broader vision and transforming them into realities in the years to come.

Best wishes,

**Brij Bhushan Agarwal**

Vice-Chairman and Managing Director

## Forging foundations, fuelling tomorrow through our integrated business model

### Financial capital

We are focused on optimising capital allocation and maintaining a strong balance sheet while generating strong free cash flows. We also review all investments, taking into account the company's financial resources with a view to maximising returns to shareholders.

#### Inputs that we rely on

- Net Equity of ₹ 5,834.67 crores.
- Gross Debt of ₹ 543.04 crores.
- Stable credit rating by CRISIL and CARE for long-term and short-term funds.

#### Value creation

- Operating Profit of ₹ 2,599.83 crores
- Networth of ₹ 5,834.67 crores.
- EBIDTA Margin of 25.01%.
- PAT Margin of 16.59%.
- Debt:Equity 0.09.

### Intellectual capital

Investment in technology and intellectual capital ensures that the Company remains abreast of development in the industry, ensuring a competitive cost position.

#### Inputs that we rely on

- State of the art "Thermax" technology to manufacture TMT.
- Complies with Quality, Environmental, Health and Safety practices.

#### Value creation

- Manufacturing units certified with ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 certifications.
- TMT Bars manufactured comes with higher strength, durability and versatility. The perfect mix of carbon and manganese in the bars give them endurance to make them fire, corrosion, and earthquake resistant.
- Structurals not only manufactured with standard dimensions but also customized to specific product application.

### Stakeholders capital

We aim to forge strong partnerships and ensure that "SEL" brand is synonym with long-term growth, ethical conduct and value creation by engaging with our key stakeholders, including shareholders and lenders, suppliers and contractors, employees, governments, communities and civil societies. These relationships help maintain and strengthen our licence to operate.

#### Inputs that we rely on

- 12,272 no. of employees (including contractual).
- Regular compliance adherence to various government agencies.
- Lean board with 6 Independent Directors for smooth and efficient functioning.
- ₹ 27.67 crores CSR spends.
- Dedicated CSR committee headed by the Chairman to oversee the CSR programmes.

#### Value creation

- Strong network of 9 nationally acclaimed banks to fund our expansion plans.
- ₹ 246.56 crores spend towards salaries, wages and other employees welfare expenses.
- EPS of ₹ 68.91 per share.
- Market Capitalisation of ₹ 9,233.90 crores.
- Debtors cycle stands to 23 days.



**Manufacturing capital**

We invest in best-in-class equipment and machinery to ensure we operate as efficiently and safely as possible, both at our current operations and in our expansion projects. This also supports our strong and sustainable cash flow generation.

**Inputs that we rely on**

- Gross Block of ₹ 4157.99 crores.
- State of art manufacturing facilities at Sambalpur, Jamuria, Mangalpur and Pakuria.
- Combined manufacturing capacity 8.04 MTPA.

**Value creation**

- Revenue from operations jumped by 65.06%.
- Net Profit jumped by 104.40%.
- Pellet production capacity utilisation 71.01%.
- Sponge Iron production capacity utilisation 87.12%.
- Billet production capacity utilisation 91.41%.
- Long product production capacity utilisation 90.89%.
- Ferro Alloy production capacity utilisation 89.71%.

**Natural capital**

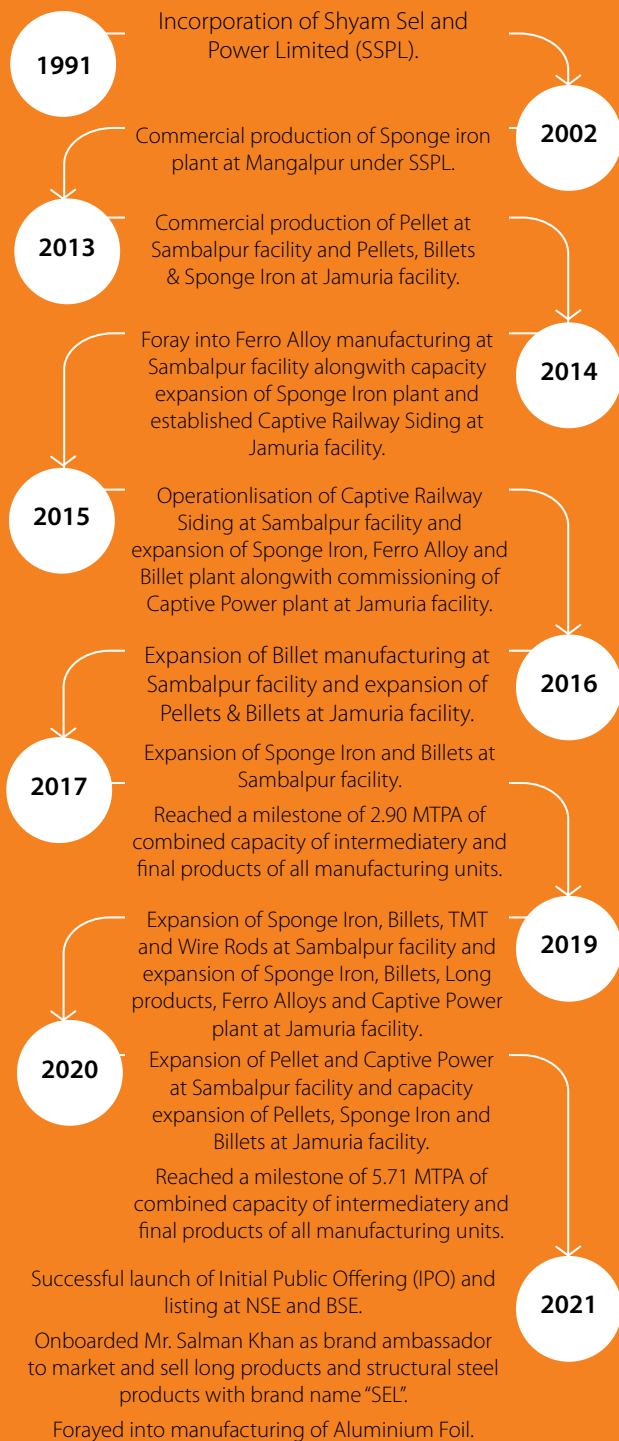
Relates to natural resources on which we depend to create value and our role in-promoting their conservation.

**Inputs that we rely on**

- Combined Captive Power plant 267 MW.
- Waste recycling and water conservation measures.

**Value creation**

- Manufacturing of fly-ash bricks generated through industrial waste.
- Floating solar plant with a capacity to generate 1.23 MW of power.
- Sponge iron online conveying system installed to minimise the vehicular moment and thus preserve the environment.






















**Major Key business activity over the years**

## Forging foundations, fuelling tomorrow by moving ahead with dedicated pursuit and positivity

We at Shyam Metals always believe that it's the aspirations of the people which drives growth and sustains momentum, thereby placing us ahead in the marketplace. Over the years, we have developed the competencies to focus on business activities that enable us to provide higher returns to our stakeholders.

<p><b>Operational Performance</b> Crude Steel Production (Lac MT)</p> <p><b>↑ 16.57%</b></p> <table border="1"> <tr><td>FY-22</td><td>31.35</td></tr> <tr><td>FY-21</td><td>25.71</td></tr> <tr><td>FY-20</td><td>21.44</td></tr> <tr><td>FY-19</td><td>18.82</td></tr> <tr><td>FY-18</td><td>14.56</td></tr> </table>	FY-22	31.35	FY-21	25.71	FY-20	21.44	FY-19	18.82	FY-18	14.56	<p>Pellete Steel Production (Lac MT)</p> <p><b>↑ 17.92%</b></p> <table border="1"> <tr><td>FY-22</td><td>21.39</td></tr> <tr><td>FY-21</td><td>24.65</td></tr> <tr><td>FY-20</td><td>10.76</td></tr> <tr><td>FY-19</td><td>9.16</td></tr> <tr><td>FY-18</td><td>9.38</td></tr> </table>	FY-22	21.39	FY-21	24.65	FY-20	10.76	FY-19	9.16	FY-18	9.38	<p><b>Balance Sheet</b> Total Capital Employed</p> <p><b>↑ 21.93%</b></p> <table border="1"> <tr><td>FY-22</td><td>6,294.10</td></tr> <tr><td>FY-21</td><td>4,419.01</td></tr> <tr><td>FY-20</td><td>4,102.51</td></tr> <tr><td>FY-19</td><td>3,149.05</td></tr> <tr><td>FY-18</td><td>2,335.91</td></tr> </table>	FY-22	6,294.10	FY-21	4,419.01	FY-20	4,102.51	FY-19	3,149.05	FY-18	2,335.91
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<p>Long Steel Sales (Lac MT)</p> <p><b>↑ 35.52%</b></p> <table border="1"> <tr><td>FY-22</td><td>8.22</td></tr> <tr><td>FY-21</td><td>6.37</td></tr> <tr><td>FY-20</td><td>3.14</td></tr> <tr><td>FY-19</td><td>2.12</td></tr> <tr><td>FY-18</td><td>1.80</td></tr> </table>	FY-22	8.22	FY-21	6.37	FY-20	3.14	FY-19	2.12	FY-18	1.80	<p>Upstream and Intermediates (Lac MT)</p> <p><b>↓ -0.49%</b></p> <table border="1"> <tr><td>FY-22</td><td>7.59</td></tr> <tr><td>FY-21</td><td>5.64</td></tr> <tr><td>FY-20</td><td>8.85</td></tr> <tr><td>FY-19</td><td>10.15</td></tr> <tr><td>FY-18</td><td>7.78</td></tr> </table>	FY-22	7.59	FY-21	5.64	FY-20	8.85	FY-19	10.15	FY-18	7.78	<p><b>Key Ratios</b> Return on Average Capital Employed (%)</p> <p><b>↑ 46.97%</b></p> <table border="1"> <tr><td>FY-22</td><td>44.57%</td></tr> <tr><td>FY-21</td><td>26.23%</td></tr> <tr><td>FY-20</td><td>10.45%</td></tr> <tr><td>FY-19</td><td>30.16%</td></tr> <tr><td>FY-18</td><td>26.21%</td></tr> </table>	FY-22	44.57%	FY-21	26.23%	FY-20	10.45%	FY-19	30.16%	FY-18	26.21%
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<p>Pellete Sales (Lac MT)</p> <p><b>↑ 20.40%</b></p> <table border="1"> <tr><td>FY-22</td><td>14.70</td></tr> <tr><td>FY-21</td><td>17.66</td></tr> <tr><td>FY-20</td><td>9.93</td></tr> <tr><td>FY-19</td><td>7.27</td></tr> <tr><td>FY-18</td><td>5.81</td></tr> </table>	FY-22	14.70	FY-21	17.66	FY-20	9.93	FY-19	7.27	FY-18	5.81	<p>Ferro Alloys Sales (Lac MT)</p> <p><b>↑ 4.33%</b></p> <table border="1"> <tr><td>FY-22</td><td>2.04</td></tr> <tr><td>FY-21</td><td>1.59</td></tr> <tr><td>FY-20</td><td>1.47</td></tr> <tr><td>FY-19</td><td>1.46</td></tr> <tr><td>FY-18</td><td>1.65</td></tr> </table>	FY-22	2.04	FY-21	1.59	FY-20	1.47	FY-19	1.46	FY-18	1.65	<p>Return on Net Worth (%)</p> <p><b>↑ 1.11%</b></p> <table border="1"> <tr><td>FY-22</td><td>29.53%</td></tr> <tr><td>FY-21</td><td>23.21%</td></tr> <tr><td>FY-20</td><td>12.04%</td></tr> <tr><td>FY-19</td><td>25.53%</td></tr> <tr><td>FY-18</td><td>27.94%</td></tr> </table>	FY-22	29.53%	FY-21	23.21%	FY-20	12.04%	FY-19	25.53%	FY-18	27.94%
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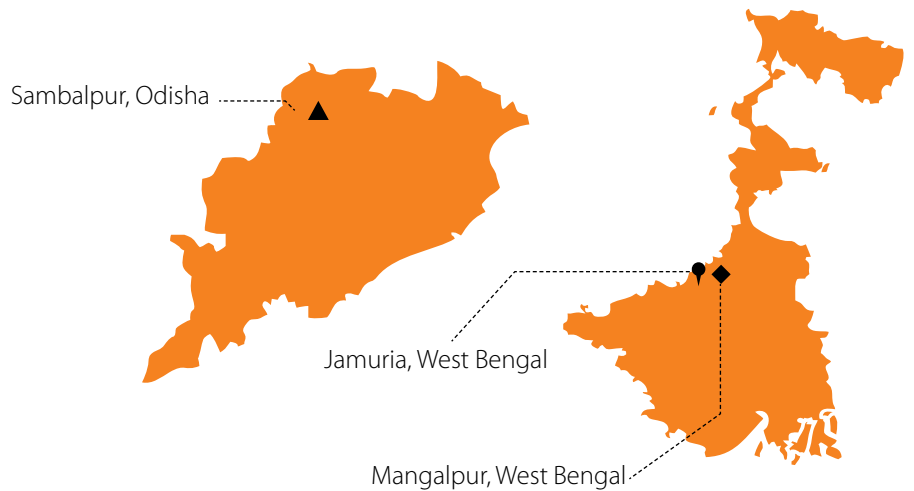
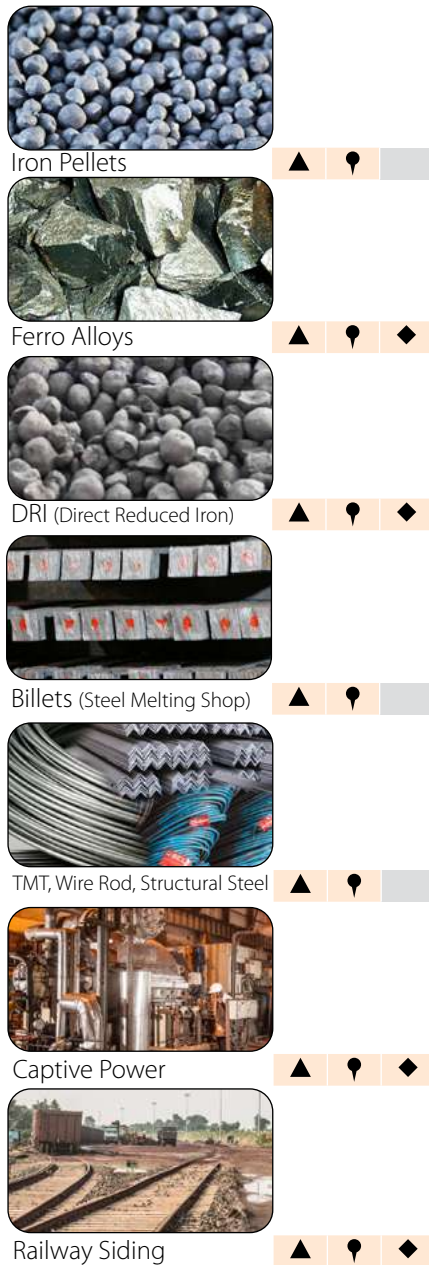


Key Ratios		Financial Performance Profit & Loss Statement					
Book Value (in INR ₹)		Net revenue from operations			EBIDTA		
 <b>12.39%</b>	 <b>92%</b>	 <b>21.98%</b>	 <b>165%</b>	 <b>30.16%</b>	 <b>186%</b>		
<b>FY-22</b>	142.46	<b>FY-22</b>	10,393.96	<b>FY-22</b>	2,599.88		
FY-21	155.57	FY-21	6,297.07	FY-21	1,394.06		
FY-20	121.00	FY-20	4,362.89	FY-20	636.31		
FY-19	106.60	FY-19	4,600.51	FY-19	935.32		
FY-18	79.43	FY-18	3,848.45	FY-18	695.83		
Debt Equity Ratio		Profit before Tax			Net Profit		
 <b>-21.33%</b>		 <b>36.02%</b>	 <b>224%</b>	 <b>27.16%</b>	 <b>204%</b>		
<b>FY-22</b>	0.08	<b>FY-22</b>	2,364.33	<b>FY-22</b>	1,724.16		
FY-21	0.22	FY-21	1,054.96	FY-21	843.56		
FY-20	0.45	FY-20	295.36	FY-20	340.25		
FY-19	0.26	FY-19	762.93	FY-19	635.82		
FY-18	0.26	FY-18	507.86	FY-18	518.51		
Debtors Turnover (in days)		PAT MARGIN			EBIDTA MARGIN		
 <b>-18%</b>		 <b>4.25%</b>	 <b>124%</b>	 <b>6.71%</b>	 <b>113%</b>		
<b>FY-22</b>	13.21	<b>FY-22</b>	16.59	<b>FY-22</b>	25.01		
FY-21	30.93	FY-21	13.40	FY-21	22.14		
FY-20	13.30	FY-20	7.80	FY-20	14.58		
FY-19	16.89	FY-19	13.82	FY-19	20.33		
FY-18	35.63	FY-18	13.47	FY-18	18.08		
Current Ratio		Cash EPS (in ₹)			Basic and Diluted EPS (in ₹)		
 <b>7.54%</b>		 <b>22.18%</b>	 <b>175%</b>	 <b>31.15%</b>	 <b>191%</b>		
<b>FY-22</b>	2.17	<b>FY-22</b>	1,996.56	<b>FY-22</b>	68.91		
FY-21	1.92	FY-21	1,143.92	FY-21	36.10		
FY-20	1.62	FY-20	636.95	FY-20	14.57		
FY-19	1.73	FY-19	830.03	FY-19	25.82		
FY-18	1.51	FY-18	733.25	FY-18	17.76		

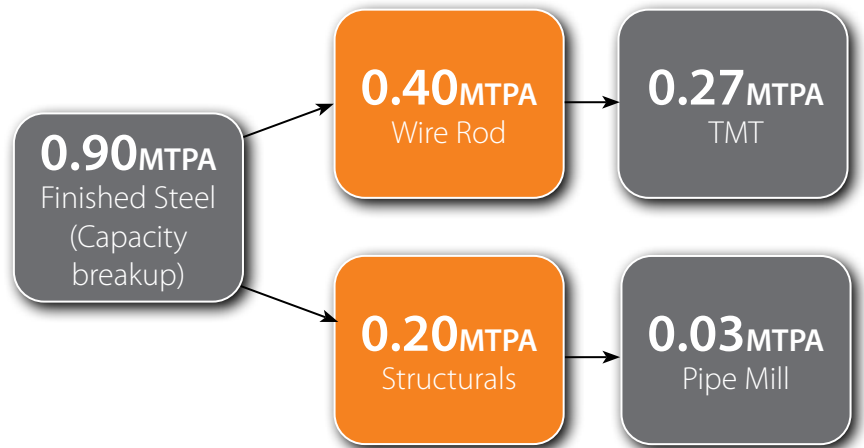
 CAGR  YOY

## Forging foundations, fuelling tomorrow through our pride enhancing capacities

We operate a fully integrated ore to metal business. We manage highly effective and cutting-edge steel and power plants. They are essential to our business operations because they enable us to produce cutting-edge, superior items that satisfy varied customer demands.



Product wise capacity (MTPA)	Sambalpur, Odisha	Jamuria, West Bengal	Mangalpur, West Bengal	Total
Iron Pellets	1.8	1.8		3.6
Ferro Alloys	0.10	0.07	0.04	0.21
DRI (Direct Reduced Iron)	0.96	1.09	0.06	2.11
Billets (Steel Melting Shop)	0.40	0.54		0.94
TMT, Wire Rod, Structural Steel	0.41	0.49		0.90
Captive Power	158 MW	94 MW	15 MW	267 MW





## Capex and growth

To increase volumes and accruals and further fuel our desire to become a leading iron and steel company, we intend to sweat our existing assets at the fullest to maximise volumes and accruals. We are currently scaling up our capacities sensibly, in accordance with a carefully calibrated expansion strategy. We are increasing our present domestic steel capacity at our multiple manufacturing facilities to 14.45 MTPA while maintaining a low leverage and keeping sustainability at the forefront. This growth is in line with our management's goal of maximising our offering and becoming a low-cost iron and steel producer. Our budgeted total outlay to accomplish this goal is ₹ 3,950 Crores, of which we have already spent ₹ 1,529 crores until the conclusion of the fiscal year.

Product wise capacity expansion (MTPA)	Proposed expansion	Total
Iron Pellet Plant	2.4	6.00
Ferro Alloy Plant	0.01	0.22
Coke Oven Plant	0.45	0.45
DRI (Direct Reduced Iron)	0.79	2.90
Blast Furnace	0.6	0.6
Billets (Steel Melting Shop)	1.06	2.01
TMT, Wire Rod, Structural Steel	1.17	2.07
Ductile Pipe Plant	0.2	0.2
Captive Power	90 MW	357
Railway Siding	2	4

## Margin growth

To achieve margin growth and become one of low cost manufacturers in our industry, we are optimising costs and improving our product mix. A key aspect to this is controlling our logistics overheads, for which we are planning for construction of 1 each Railway sidings at Sambalpur and Jamuria facility for an aggregate cost of ₹180 crores. Apart from cost optimisation, this will help us in quick unloading of raw materials and planned dispatch of finished products. Apart from that, it will also help us in reducing our carbon footprints which is incurred through mode of road transportation.

₹ **520** Crores  
Capex towards  
Iron Pellet plant

₹ **2,460**  
Crores  
Capex towards  
Steel products

₹ **30** Crores  
Capex towards  
Ferro Alloy  
plant



## Raw material security

At Shyam Metals Steel, prudent strategies to tie-up resources form the cornerstone of our resilience and growth paradigm. Our efforts are directed towards ensuring that we have the raw materials we need at the right time without having to depend on limited number of resources, or without compromising on our profitability.



**Iron ore / Iron ore fines :**  
Mine owners located in Odisha.



**Chrome Ore :**  
Long-term linkages with Odisha Mining Corporation Ltd. Added we have also signed linkages with other mine owners and importers.



**Manganese Ore :**  
MOIL Ltd. Added we have also signed linkages with other mine owners and importers.



**Coal :**  
Supply agreement with Mahanadi Coalfields Ltd, Central Coalfields Ltd and South Eastern Coalfields Ltd.



**250 km**  
Raw Materials sources



**5**  
Ports within 600 km radius of plant locations

## Energy security

Iron & Steel is a power intensive industry. There is an increased emphasis amongst the manufacturers for captive source of power generation to reduce the overall power cost. The amount of waste heat and gases can be tapped to generate power, saving fossil fuels on one hand, and reducing the emission of hazardous gases on the other. The Company has always taken this integration process a critical step ahead by commissioning captive power plant (CPP) to service the Company's power requirements and thereby reducing its dependence on the grid. The Company has installed 5 Captive Power Plant with a capacity to generate 158 MW of power at Sambalpur facility, 3 Captive Power Plant with a capacity to generate 94 MW of power at Jamuria facility and 1 Captive Power Plant with a capacity to generate 15 MW of power at Mangalpur facility. The Company currently consumes ~80% of its power requirements from Captive sources.

₹ **400** Crores  
Capex towards  
Captive Power

₹ **2.75** Crores per  
MW spent by SMEL  
vs  
₹ **4.50** Crores per  
MW industry average  
for setting of Captive  
Power Plant

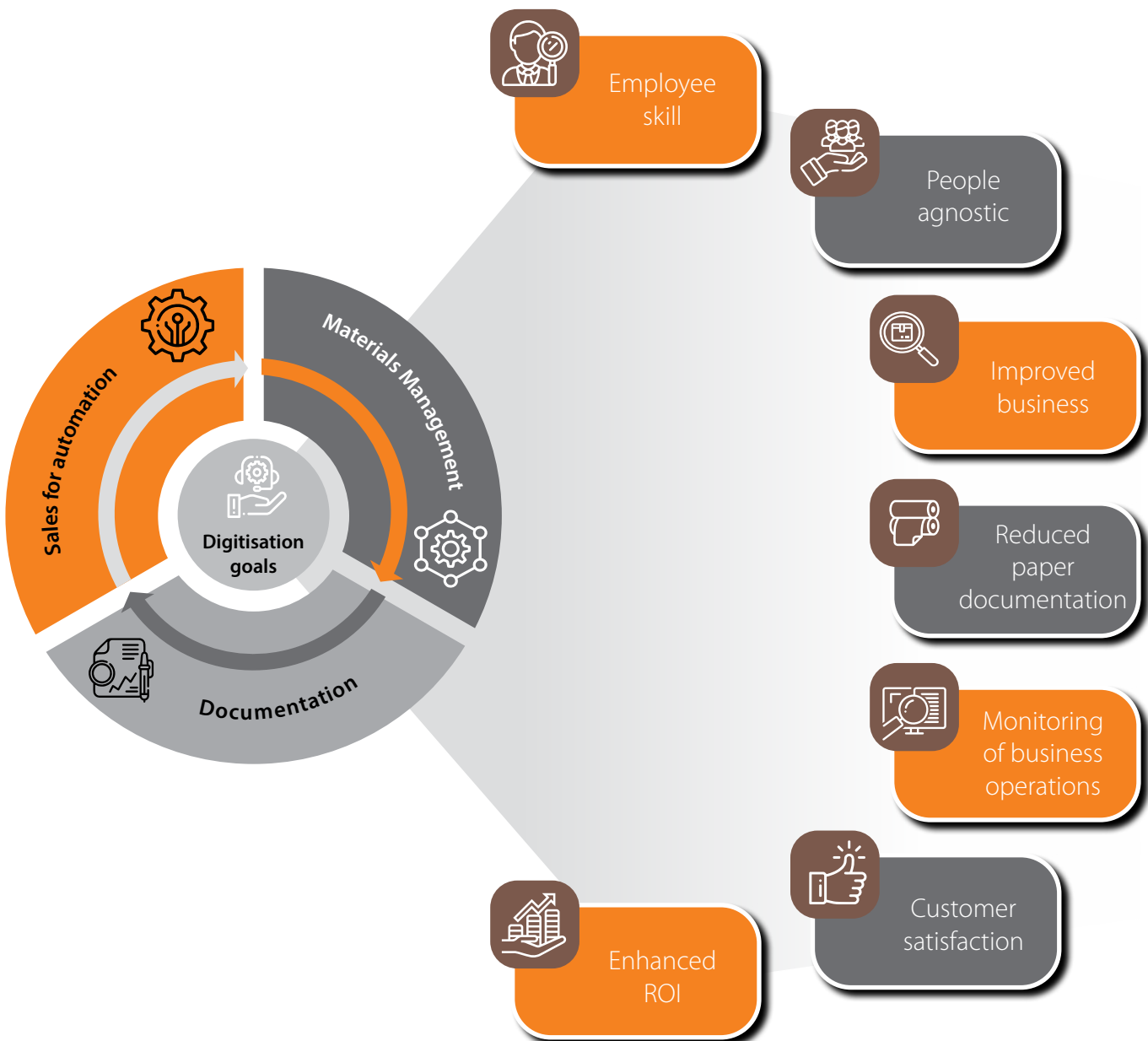
₹ **2.12**  
Cost of per unit of  
Captive Power  
vs  
₹ **5-7**  
Cost of electricity  
from Grid





## Adopting new technologies

We value the importance of technology as a strategic enabler and intend to leverage both steel and digital technology to achieve service excellence. We have embarked on our digital technology and IT-enabled business transformation programme to drive value creation across the enterprise. We have adopted Cloud computing enterprise widely and successfully moved our core business transaction from SAP ECC system to SAP S4 HANA 2020. We are also working tirelessly to integrate our e-sourcing tool SAP ARIBA with SAP S4 HANA to bring in more transparency and visibility in the organisation. We aspire towards digitalising our plants and processes and are taking steps towards building capabilities to deliver transformative solutions. The goal is to become agile, intelligent and smart in all our business processes, and enhance stakeholder experience, while generating substantial and sustainable long-term improvement.



## Forging foundations, fuelling tomorrow through a powerful brand reputation

In an increasingly competitive industry scenario, it is not only important to strengthen existing areas of competence but also build new ones. At Shyam Metalics, we had always been determined to grow our business. Shaping our future with a robust India's growth story and rising demand from downstream users, we initiated differentiated branding strategy comprising advertising in print media, electronic channels and endorsement by famous Indian Bollywood actor Mr. Salman Khan for advertisement of our "SEL" brand products which includes long products and structural steel.

In the business of iron & steel manufacture and marketing, success is derived from the ability to be proximate to customers with the objective to reduce distribution costs and delivery tenure. For years, we followed the distribution model in this sector via the business-to-business (B2B) route. Recently we introduced a pioneering change in our marketing strategies by selling directly to end users (B2C). We aim to increase our market share and increase the production to the tune of around 35% to 40% in the long product business.

**₹ 9.58** crores  
Advertisement, Marketing &  
Branding expenses  
during FY 2021-22

**27**  
States where  
products are  
available

**800**  
Dealers and  
distributors to sell  
finished products

**70%**  
Sales within 500  
km vicinity of  
manufacturing  
facilities

We view potential markets through the prism of our rich experience and expertise and thus we export our products at international shores. Currently our products are sold across USA, Japan, Korea, Italy, Nepal, Bangladesh, etc. The Company's manufacturing facility is in close proximity to the ports of Kolkata, Haldia, Dhamra, Paradeep and Visakhapatnam.



**20**  
Countries where  
products are  
exported

**16%**  
Export  
contribution to  
overall sales





# ROARING AHEAD WITH SALMAN KHAN.

We kick-started 2022 with the launch of a new brand – SEL Tiger TMT Re-Bars. And as brand ambassador, we roped in Bollywood superstar Salman Khan. The superior strength, elasticity and Tiger Bond of our SEL Tiger TMT Re-Bars became the talk of the town, and gave us a fantastic push for more awareness, greater recognition and new business opportunities.



## Forging foundations, fuelling tomorrow through our dedicated focus on Environment, Social and Governance (ESG) Standards

Operations at Shyam Metals always fortifies its commitment towards shared values and purpose driven, conducting business responsibly, and to stand by the principles of democracy, justice and equality. Climate change has become the greatest challenge of our era, posing a grave threat to our well-being, livelihoods, food and physical security, as well as our future development. At Shyam Metals, we have embedded ESG and sustainability principles throughout our operations and the business more broadly, enabling us to steward shareholder and institutional capital responsibly in fostering a multi-stakeholder business model and creating value for all.



### ENVIRONMENT SUSTAINABILITY

Steel is one of the most circular materials on earth, with nearly infinite recyclability. Further, it plays a key role in the foundation of modern society and continues to power infrastructure growth across the globe. Our sustainability strategy revolves around protecting the environment and conserving the biodiversity in the areas surrounding our facilities. We constantly endeavour to reduce adverse environmental impact to minimal levels by investing significantly in environment management. We dedicatedly follow the principles of 3Rs (Reduce, Recycle and Reuse) to minimise our impact on the environment.



**Water management:** We have invested in advanced technologies for water treatment plants at all our locations. These technologies helped us to reduce water consumption by recycling and reusing water.

**Waste management:** A steel company usually generates various hazardous and non-hazardous wastes. To reduce the raw material intensity, we aim to reuse waste to the maximum extent possible and dispose residual wastes responsibly. The effluent wastes from all production activity are utilised judiciously at various product verticals so as to create a set of high value-added products.

- Used the washery rejects in power plant.
- Steam generated during course of operations were used at captive power plant for power generation thereby meeting ~80% of our power requirements.
- Manufactured fly ash bricks through various industrial wastes fly ash, sand, stone, dust and cement.
- Optimised operation by installing VWF Drive in cooling tower fans, Boiler feed pumps, Cooling water pumps, Wire drawing mill motors which resulted in power saving of approx. 15,45,000 KW per annum.
- Replaced low efficiency motors with high efficient IE-3 motors.
- Optimised plant lighting by using high efficiency LED light fixture.
- To achieve better power factor, additional APFC panels and HT capacitor banks were installed to reduce the monthly energy bill.
- Adopted auto operation with sequential run of RMHS circuit at Ferro plant to optimise the power consumption and reduce the maintenance cost.
- Transparent roof sheet installed at rolling mill plant to use natural light during day time.



**Air emissions:** We periodically monitor air emissions from all stacks. As such, we have implemented various measures to reduce air pollution and suspended particulate matter (SPM) emissions in order to maintain air emissions within limits stipulated by the Pollution Control Board (PCB).

- Pneumatic fly ash conveying system installed to maintain better environment and reduction of vehicular moment inside the plant for better environment of plant.
- Commissioned floating solar plant of 1.23 MW capacity to encourage renewable energy and reduction of carbon emission.

**Bio-diversity management:** Our environmental stewardship extends to preservation of flora and fauna around us to promote our harmony with nature. We have actively participated in tree-plantation, promoting gardening of fruits and vegetables to enhance the biodiversity in and around our premises.



## SOCIAL SUSTAINABILITY

### Taking communities along



Our Company's vision is to empower communities with sustainable livelihoods. As such, we are committed to elevate the lives of communities around our plant locations. An approach towards inclusive growth is embedded in our corporate philosophy to nurture local communities and engage with every stakeholder group. We work closely with local stakeholders to strengthen community initiatives and remain committed to create more smiles for every tonne of steel produced.



### Rural Health

- Yearly Eye & Medical Camp for Villagers.
- Free Ambulance & Drinking Water Services for villagers.
- New Health Center & Homeopathy Clinic.
- Free Medicine & Spectacles and Blood Donation Camp.



### Rural Education

- Free Coaching Center for Economic backward section.
- Computer Training Center at Dhasna village.
- School Bag And Cycle Distribution.
- Shyam Scholarship for Meritorious students of Economic Backwards.







### Social Awareness

- Women Empowerment.
- Road Safety Campaign "SAFE DRIVE SAFE LIFE".
- Socio Environmental Awareness.
- Distribution of Helmets for Safe drive & Save life.



### Social Infrastructure Development

- Temples.
- Village Sanitation.
- Teachers Training and Remuneration.
- Village Handicrafts – Skill Development.
- Sports Football Coaching.
- Gau Daan (Care for Animals).



### Sustainability

- Water Conservation – Check dam, Pond, Landscaping, Plantation.
- Promotion of solar Light.
- Solar irrigation Pumps.
- Promotion of Organic Farming.



### Skill Development

- Running sewing center, computer training center.
- Alternate source of income via enterprise development, skill development.
- Kalp Vriksha (Empowerment) programme.





### Sports Promotion

- Football team of Shyam Sel & Power Limited.
- Shoes & Suit distribution.
- Play ground development.



### We partner society in its progress

Our social responsibility model is based on interactions at various levels that aid our contribution towards socio-economic growth and development. We recognise these mutually beneficial relationships as the foundation for our sustainability.

₹ **27.67** crores  
CSR spends during  
FY 21-22

### Leadership through team building

The success of any business is dependent on its people who are part of the enterprise. Almost every endeavour in productivity, quality, research & development, customer centricity are meaningless unless owned and implemented by our team. This realization is the guiding force of our Human Resource policies.

Empowerment, teamwork and disciplined decision making are the hall marks of our management. Our team consists of various set of peoples from experienced to young and energetic ones. Our goals are ambitious. Our HR team works to ensure that we recruit, develop and train our team to achieve their peak performance levels and then gradually better them.

#### Our Human Resource policy includes:

- To treat each employee with dignity.
- To create an interesting, meaningful, challenging and cordial working environment for our employees.
- To increase the productivity of the employees through continuous training and development.
- To create awareness and motivate employees on our quality, safety and environmental policies.

#### The following criteria are being followed by the Company to achieve its Human Resource goals:

- The Company focuses on hiring able professionals, who will drive the organisation's level-next growth. The Company has successfully hired professionals both at the senior and junior levels.
- The vision, mission and values of the Company is well



communicated to all new recruits and existing employees to create homogeneity in employee aspirations and organisational goals.

- The resources are periodically trained internally and externally, so that new recruits can get innovative ideas and learn about the industry comprehensively.
- Managers are taught about feedback analysis for appropriate appraisal and remedial action. We believe timely appraisals and implementation of the rewards and recognition programme can induce healthy competition.
- Having multi-locational presence, we have taken proactive measures to employ, nurture and train local talent, thereby contributing to the regional economy.
- The Company follows a transparent system of appraisal across all management levels. It follows an open door policy where one can easily give the feedback to the management and vice-versa, thereby checking attrition at various levels.

**Initiatives during 2021-22 :**

- Regular health & training session for the employees.
- Employee safety has been accorded a top priority at the plant. In lieu with that safety apparels like Helmets, Gum Boots, Gloves, etc have been provided to every employee and a regular surveillance is also conducted for the same.
- Installation of medical gas cylinders at hazardous gas prone areas of the plant premises.
- A dedicated "Occupational Health Centre" inside the plant premises with a qualified doctor to handle the basic first-aid requirements of the employees in case of any distress..



**GOVERNANCE STANDARDS BUILT ON ETHICS AND TRANSPARENCY**

At Shyam Metalics, governance philosophy of the Company is based on the principles of equity, fairness, transparency, spirit of law and honest communication. Company believes that sound Governance practices are necessary to retain stakeholders' trust and ensures efficient working and proper conduct of the business of the Company with integrity. Development of governance guidelines is a continuous process which evolves over a period of time and undergoes changes to suit the changing times and needs of the business, society and the nation.



The Board of Directors regularly oversees the governance structure of the Company. The various committees formed under the Board are responsible for overseeing various aspects of the business and ensures meeting the aspirations of the stakeholders.

Our multiple revenue platforms and cost-management initiatives help us deliver sustainable stakeholder returns. It is a predictable pattern that stakeholders expect from us. We are committed to fulfilling their expectations by strengthening current operations and leveraging future opportunities and de-risking our enterprise from the cyclicity of a single product segment and delivering visibility of our income in more ways than one.

We also endeavours to be a responsible corporate citizen, contributing to the country's exchequer. This has prudently been reflected in our Balance Sheet, whereby we had been contributing to the exchequer in form of various taxes.



## SHYAM METALICS AND ENERGY LIMITED

(CIN: L40101WB2002PLC095491)

### Corporate Information

#### BOARD OF DIRECTORS

Mr. Mahabir Prasad Agarwal  
*Chairman*

Mr. Brij Bhushan Agarwal  
*Vice Chairman and Managing Director*

Mr. Sanjay Kumar Agarwal  
*Joint Managing Director*

Mr. Deepak Kumar Agarwal  
*Whole-time Director*

Mr. Dev Kumar Tiwari  
*Whole-time Director*

Mr. Bhagwan Shaw  
*Whole-time Director*

Mr. Venkata Krishna Nageswara Rao Majji  
*Independent Director*

Mr. Ashok Kumar Jaiswal  
*Independent Director*

Mr. Yudhvir Singh Jain  
*Independent Director*

Mr. Ajay Choudhury  
*Independent Director*

Mr. Kishan Gopal Baldwa  
*Independent Director*

Ms. Rajni Mishra  
*Independent Director*

#### CHIEF FINANCIAL OFFICER

Mr. Shree Kumar Dujari

#### COMPANY SECRETARY

Mr. Birendra Kumar Jain

#### STATUTORY AUDITORS

S K Agrawal and Co Chartered Accountants LLP  
Chartered Accountants  
Suit No. 606-608  
The Chambers, Opp. Gitanjali Stadium  
1865, Rajdanga Main Road, Kasba,  
Kolkata -700 107

#### SECRETARIAL AUDITORS

MKB & Associates  
Company Secretaries  
Shantiniketan Building, 5<sup>th</sup> Floor  
Room No. 511 & 518, 8 Camac Street,  
Kolkata - 700 017

#### COST AUDITORS

M/s. Abhimanyu Nayak & Associates  
Cost Accountants  
102 – Banerjee Para Road, ILA Apartment  
Kolkata – 700 041

#### BANKERS

State Bank of India  
Axis Bank Limited  
ICICI Bank Limited  
HDFC Bank Limited  
YES Bank Limited  
IDFC First Bank Limited  
Bank of Baroda  
UCO Bank  
Kotak Mahindra Bank Limited

#### REGISTERED OFFICE

“Trinity Tower” 7<sup>th</sup> Floor  
83, Topsia Road,  
Kolkata -700 046  
Tel No. : +91 33 4016 4080  
Email : compliance@shyamgroup.com

#### CORPORATE OFFICE

“Viswakarma Building”  
86C, Topsia Road,  
Kolkata -700 046  
Tel No. : +91 33 4011 3000  
Email : compliance@shyamgroup.com

#### PLANT

Village: Pandloi, PO: Lapanga  
Dist.: Sambalpur, Pin: 768 212 (Odisha)

#### REGISTRAR AND TRANSFER AGENT

KFin Technologies Ltd.  
Selenium Tower ‘B’  
Plot 31 & 32  
Financial District  
Nanakramguda  
Hyderabad -500 032  
Tel No. : +91 40 6716 2222  
Email : einward.ris@kfintech.com

## Management discussion and analysis

### OVERVIEW

The objective of this report is to convey the Management's perspective on the external environment and steel industry, as well as strategy, operating and financial performance, material developments in human resources and industrial relations, risks and opportunities and internal control systems and their adequacy in the Company during the FY 2021-22. This should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Integrated Report.



The global economy enters 2022 in a weaker position than previously expected. Rising energy prices and supply disruptions have resulted in higher and more broad-based inflation than anticipated, notably in United States and many emerging market and developing economies. Further, the ongoing retrenchment of China's real estate sector and slower than expected recovery of private consumption and the ongoing tension between Russia and Ukraine have limited the growth prospect.

Global growth is predicted to slow from 6.1% in 2021 to 3.6% in 2022. Growth in advanced economies is projected to decelerate sharply to 3.3% in 2022 and 2.4% in 2023 after hitting 5.2% in 2021. Emerging market and developing economies were seen achieving growth of just 3.8% in 2022, down from 6.8% in 2021 (Source: IMF).

### Outlook

The world is paying a heavy price for Russia's war in Ukraine. It is a humanitarian disaster, killing thousands and forcing millions from their homes. The war has also triggered a cost-of-living crisis, affecting people worldwide. When coupled with China's zero-COVID policy, the war has set the global economy on a course of slower growth and rising inflation. Growth is set to be markedly weaker than expected in almost all economies. Countries worldwide are being hit by higher commodity prices, which add to inflationary pressures and curb real incomes and spending, further dampening the recovery. The new OECD projections show the large and global impact the war is having on inflation, which has already reached 40-year highs in Germany, the United Kingdom and the United States.

A gradual reduction of supply chain and commodity price pressures and the impact of rising interest rates should begin to be felt through 2023, but core inflation is nonetheless projected to remain at or above central bank objectives in many major economies at year-end. Global measures to counter the spike in oil and food prices, step up debt relief of smaller economies, strengthen efforts to contain emerging variants of COVID-19 and speed the transition to a low-carbon economy may reduce the risk of a global recession.



After recording the strongest GDP rebound in the G20 in 2021, the Indian economy is progressively losing momentum as inflationary expectations remain elevated due to rising global energy and food prices, monetary policy normalises and global conditions deteriorate. Real GDP is projected to grow by 6.9% in fiscal year (FY) 2022-23 and 6.2% in FY 2023-24 (Source: oecd.org), despite a pick-up of corporate investment facilitated by the Production-Linked Incentive Scheme. While inflation will gradually decline, the current account deficit will widen due to the surge in energy import costs.

### Outlook

Exports have started to struggle, while elevated imports are pushing up monthly trade deficits to record highs. Higher inflation, monetary policy tightening, dormant private capex growth, the power crunch and the global growth slowdown pose medium-term headwinds. However, all is not lost. India's economy is racing above its pre-pandemic level, led by a sharp recovery in the services sector, and supported by the lagged effects of easy financial conditions, a public capex push and a rise in real bank credit growth. The improvement has been broad-based across consumption, investment, industry and the external sector. The headline inflation in India is expected to average 6.9% in 2022, and 5.9% in 2023 (Source: Business Standard, Nomura). Despite the external shocks, India's underlying economic fundamentals are strong and despite the short-term turbulence, the impact on the long-term outlook is expected to be marginal. The important positive factor for India is its large and fast-growing middle class, which is helping to drive consumer spending and the country's consumption expenditure is expected to double from \$1.5 trillion in 2020 to \$3 trillion by 2030. The government's production-linked incentive (PLI) scheme is expected to provide a thrust to the manufacturing sector in FY2022 and FY2023.



### Global Steel Industry

Steel, one of the most essential engineering materials, is known for its diverse applications in every aspect of human life. Steel is the foundation for a number of industries in general and manufacturing industry in particular. Market fortunes of finished steel products market depend on health of key end-use markets such as construction sector, automobile and automotive component manufacturing, metal goods fabrication, ship building, machinery manufacturing, oil & gas infrastructure, among others.

The global steel industry has partially recovered with increase in global steel production by 3.7% during 2021, compared to 2020. This is primarily due to economies opening up after wide scale vaccinations, gradual commencement of economic activity, and significant change in retail consumer behaviour mainly in automotive and construction sectors. Further, increase in raw material prices mainly concerning coking coal, iron ore and oil & fuel have pushed the market prices of steel.

### Did you know?

- 1) There are More Than 3,500 different grades of Steel.
- 2) Steel is the world's most recycled material.
- 3) Almost half of America's Ferrous Scrap supply comes from industrial and manufacturing sources.
- 4) Stainless Steel Wire Forms can have a lower total cost of ownership than plastic forms.
- 5) Average age of a steel product is 40 years.



### Top 10 steel using countries:

(in million tonnes)

Countries	2021	2022 (f)	2023(f)
China	952.0	952.0	961.6
India	106.1	114.1	120.9
United States	97.1	99.8	102.1
Japan	57.5	58.2	58.8
South Korea	55.6	56.2	56.8
Russia	43.9	35.1	35.1
Germany	35.2	35.0	37.6
Turkey	33.4	35.5	37.0
Brazil	26.4	24.2	25.4
Italy	25.9	25.4	26.3

f = forecast

(Source : Worldsteel.org)

### Demand Outlook

The World Steel Association (Worldsteel) released recently its Short Range Outlook (SRO) for 2022 and 2023. It is expected that steel demand will grow by 0.4% in 2022 to reach 1,840.2 MT after increasing by 2.7% in 2021. In 2023 steel demand will see further growth of 2.2% to reach 1,881.4 MT. The current forecast assumes that, with the progress of vaccinations across the world, the spread of variants of the COVID -19 virus will be less damaging and disruptive than seen in previous waves. Strong manufacturing activity bolstered by pent-up demand will remain as a significant contributor. The developed economies have outperformed the expectations by a larger margin than the developing economies, reflecting the positive benefit of higher vaccination rates and government support measures. In the emerging economies, especially in Asia, the recovery momentum was interrupted by the resurgence of pandemic.

### Steel demand forecast:

(in million tonnes)

Region	2021	2022 (f)	2023(f)
European Union(27) UK <sup>1</sup>	163.6	161.5	167.9
Other Europe	40.2	42.3	44.1
Russia & Other CIS (4) + Ukraine	58.5	44.6	45.1
USMCA	136.9	141.0	144.7
Central & South America	50.7	48.5	50.3
Africa	37.4	39.1	40.7
Middle East	48.3	50.2	51.7
Asia & Oceania	1298.1	1313.1	1336.8
<b>World</b>	<b>1833.7</b>	<b>1840.2</b>	<b>1881.4</b>
World excl. China	881.7	888.2	919.9
Developed Economics	399.4	403.7	413.5
China	952.0	952.0	961.6
Em. and Dev. Economics excl. China	482.2	484.4	506.4
ASEAN (5) <sup>2</sup>	72.6	76.1	80.8
MENA	65.2	68.0	70.3

f = forecast

<sup>1</sup>European Union(27) + United Kingdom

<sup>2</sup> Indonesia, Malaysia, Phillipines, Thailand, Vietnam

(Source : Worldsteel.org)

While the manufacturing sector's recovery remained more resilient to the new waves of infection than expected, supply-side constraints led to a levelling off the recovery in the second half of the year thereby preventing a stronger recovery in 2021. However, with high backlog orders combined with a rebuilding of inventories and further progress in vaccinations in developing countries, we expect steel demand will continue to recover in 2022. Persistent rising inflation, continued slow vaccination progress in developing countries and further growth deceleration in China continues to pose threat to this forecast.

### Steel Consuming Sectors

The construction sector has remained more resilient than the manufacturing sector to the pandemic shock. However, in many developing economies, construction activity was severely disrupted by a total stoppage of projects. However, in 2021, backed with domestic policies, the global construction sector remained resilient to the impact of pandemic. The sector saw robust recovery backed by low interest rates and domestic governments focusing on infrastructure projects. However, the recovery plans were affected by two conflicting forces. While few governments, especially in developing nations, pumped in funds in infrastructure sector making it a recovery tool aligned with green initiatives, on the other side, governments were hit with poor fiscal standing due to the pandemic, thereby affecting the ability towards financing infrastructure projects. The residential sector has benefited from accumulated savings during the lockdown and the spread of working from home, which has resulted in rising demand for home space. However, the non-residential sector will see a sluggish recovery due to reduced demand for office space.

The automotive sector, which saw the sharpest decline among the steel using sectors during the first phase of pandemic saw a strong recovery subsequently. Although supply chain disruption is still evident in some markets, the recovery is driven by pent-up demand and increased household savings. The disruption in the supply chain is significantly undermining the global automotive industry's recovery. With pent-up demand dissipating, the growth in auto production in 2022 will decelerate, though high order backlogs will provide some support.

### World Steel Price Trends

The Russia-Ukraine conflict has caused panic in the market about supply shortage with the result that prices have moved north radically, be it iron ore or coking coal. Prices of steel have also responded to the crisis but its northward movement so far has been limited. Increasing risk of procurement, constraints of financial approval, non-accessibility due to port blockage, growing uncertainty about availability, rising safety and security concerns are among the major factors that have driven sentiments in the commodity markets around the world. To what extent, steel prices would be impacted hinges significantly on the extent of aggravation of the Russia-Ukraine crisis and its longevity.

### Global Raw Material Market (Iron Ore and metallurgical coal)

The raw materials market in the FY 2021-22 was markedly volatile driven by policy changes and a shift in global trade flows primarily in the coal markets.

### India steel industry

Steel sector in India has traversed a fascinating journey from a mere 1 MT at the time of independence to 120 MT in the last (2021-22) financial year. In India per capita consumption of steel grew by 10% to 77 kg during financial year 2021-22. India has exported a record 13.5 million tonnes of finished steel in the year 2021-22 with a record production of over 120 million tonnes of crude steel and 113.6 million tonnes of finished steel (Source: Businessworld.in). With huge availability of minerals in the country, metal sector is expected to play a major role in the country's ambitious plans of self-reliant India and USD 5 trillion economy by 2024-25.

### Outlook

The steel industry is one of India's core industries, contributing to slightly more than 2% of GDP. The Indian steel sector outlook, on the back of strong domestic demand from government and private sectors, is likely to remain firm amid concern of global demand uncertainties in the current fiscal. It is expected that demand and prices will remain strong as China will no longer be adding 50-60 million tonnes to its capacity annually and that country may not export significantly higher quantities to disrupt steel prices globally. However, India Ratings and Research (Ind-Ra) has maintained a "neutral outlook" on the steel sector for FY23 in view of high raw material inflation that would result in elevated prices and moderation of volume and margin.

The government of India allocated Rs.111 trillion for the National Infrastructure Pipeline (NIP) to be spent over the next five years while for the private sector capital expenditure, housing and consumer durables end-user segment, the demand growth would remain muted due to elevated raw material prices. But on back of lower Chinese production and exports, and an increase in quota limit for exports to European markets, due to the ongoing Ukraine-Russia war, Indian steel players are likely to benefit. As such, the margin in exports sales mix is likely to be higher in FY23, cushioning the profitability of the domestic manufacturers. On the raw material side, the Government has increased the export duty on 58% and above Fe grade iron ore fines and lumps from 30% to 50%. Though the increased export duty on iron ore is seen incrementally in positive from the perspective of better availability of domestic iron ore thereby cushioning the domestic steel makers.



### Major Opportunities in Steel Industry:

The Central Government focuses on strengthening the domestic manufacturing base under the Aatmanirbhar Bharat program presents a strong opportunity for steel production and consumption in India. The production linked incentive scheme, which intends to incentivise the additional steel production in India, is expected to boost special steel demand in Automobile & Auto components, consumer durables, solar equipment, telecom, etc.

Opportunities in different-different Sector like Automotive, Capital Goods, Infrastructure, Airport, Railways, Power etc.

	<b>Automotive</b>	The automotive industry is forecast to reach US\$260 to 300 billion by 2026. The industry accounts for around 10% of the demand for steel in India. With increasing capacity addition in the automotive industry, demand for steel from the sector is expected to be robust.
	<b>Capital goods</b>	The capital goods sector accounts for 11% of the total steel consumption and is expected to increase 14-15% by 2025-26. It has the potential to increase in tonnage and market share. Corporate India's capex is expected to grow and generate greater demand for steel.
	<b>Infrastructure</b>	The infrastructure sector accounts for 9% of steel consumption and is expected to increase to 11% by 2025-26. Due to rising investment in infrastructure the demand for steel products would increase in the years ahead. 70% of the country's infrastructure, estimated at ₹ 6 lakh crore (US\$89.50 billion), is yet to come up. Thus, a significant growth potential for steel sector is present. For various infrastructure sectors, including real estate and power, the Ministry of Finance has come out with a NIP 2021 with an outlay of ₹111 Lakh Crores in the next 5 years.
	<b>Railways</b>	The Dedicated Rail Freight Corridor (DRFC) network expansion is under execution and would be enhanced in the near terms across the country for the freight movement. Introduction of high-speed bullet trains and metro trains, Gauge conversion, setting up of new lines and electrification would drive demand for steel.
	<b>Power</b>	The Government has envisaged capacity addition of 58,384 MW from conventional sources between 2017- 22. Also, the Government is targeting to achieve 175GW of renewable power generation capacity by 2022. This will lead to enhancement in both transmission and distribution capabilities, thereby raising steel demand from the sector.
	<b>Telecom</b>	The telecom sector is going to grow from FY2022 onwards as once the 5G spectrum auction is done during the 2022-23 and the need for more telecom towers will go up by another 1 lakh towers from the present around 4.5 Lakh towers to enhance the telecom connectivity across the country which will enhance the consumption of the steel Products.



## Progressive Government Policies

**National Steel Policy, 2017:** The National Steel Policy envisions more than doubling of India's per capita steel consumption to 160 kg in the next 10 years from the current 77 kg. This would be complemented by equally ambitious doubling of India's installed domestic crude steel capacity, touching a target of 300 MTPA. This paves the way for accelerated growth for large-scale Indian players in the sector, as demand and the regulatory environment encourage domestic steel production.

**Scrap Recycling Policy, 2019:** This policy envisages setting up of environmentally-sound management systems to encourage processing and recycling of ferrous scraps through organised and scientific metal scrapping centres across India. This would minimise dependence on scrap imports and help make India self-sufficient in scrap availability. This augurs well for steelmakers focusing on manufacturing steel through the electric arc furnace (EAF) route.

**Production linked Incentive (PLI) Scheme:** Keeping in line with India's "Make in India" policy to boost domestic manufacturing and cut down on import bills, the Production-Linked Incentive (PLI) scheme for manufacturing high grade specialty steel in India was officially notified on July 29, 2021. Approved with the budgetary outlay of INR 63.22 billion (US\$848.93 million), the scheme will be implemented for a five-year period. In 2020-21, India imported 6.7 MT of steel, out of which 4 MT was specialty steel, worth INR 300 billion (US\$4.04 billion). Through the PLI scheme, India wants to plug this gap in market demand by sourcing domestically and creating products for export. The PLI scheme is expected to draw investments worth approximately INR 400 billion (US\$5.37 billion) and expand capacity of specialty steel by 25 million ton (MT), from 18 MT in 2020-21 to 42 MT in 2026-27. Apart from gaining technological know-how and boosting exports, the government also envisages the scheme will generate employment for over half a million people.

### Major challenges in domestic steel industry:

**Finance:** Steel is a capital-intensive sector. Nearly ₹ 7,000 crores is required to set up 1 tonne of steel-making capacity through the greenfield route. Naturally, the cost of financing any expansion or new steel capacity is usually through borrowed capital. And in India the cost of finance is extremely high compared to the cost of finance in developed countries such as China, Japan and Korea. This adds about USD 30–35 USD to the final cost of steel. Moreover, steel demand is cyclical. So, during a downturn, the return on investments gets eroded. If the Indian steel industry is to fulfil the vision outlined in the National Steel Policy, 2017, financing capacity addition of 100–150 million tonnes will be the biggest challenge. The policy document acknowledges that additional investment of INR 10 lakh crore will be required and financing it is the primary challenge.

**Logistics:** For most Indian steel makers, managing logistics requirements is arduous, challenging and costly. The primary raw material for steel making is iron ore, besides coal or coking coal. Both are bulk minerals, and steel is also a bulk commodity. So, whether it is physical transportation of raw materials for steel-making to the steel mills or physical transportation of finished steel to demand centres, transportation of bulk materials is always arduous. For every 1 tonne of steel produced, roughly 3 tonnes of raw material needs to be transported. So, as India doubles its steel production in the next 10 years, the logistics requirement of the domestic steel industry will become unmanageable unless steps are taken to increase and improve the physical infrastructure, especially by the Indian Railways, and on an urgent basis. Shortage of railway rakes has already started plaguing the steel industry.

**Raw materials:** Although India has abundant reserves of iron ore and coal, it has negligible reserves of coking coal. The National Steel Policy envisages that India will reach 300 million tonnes of steel-making capacity, and 68% of that will be through the blast furnace route, which requires coking coal. This translates to about 200 million tonnes of steel being produced using coking coal, which means an annual consumption of about 180 million tonnes of coking coal. India largely fulfils its coking coal requirements through imports from Australia. But due to vagaries of weather, there has been huge fluctuations in coking coal supply as well as coking coal prices. Jharia fields in eastern India are amongst the world's largest coal fields in terms of reserves, with an estimated coal reserve of 19.4 billion tonnes. The development of the Jharia coal fields will not only secure the coal requirement of the steel industry, acting as a major incentive for investment, but will also lead to the overall development of the region. Thus if India is to consume 180 million tonnes of coking coal annually, this means that around 60–65 million tons will be provided by domestic sources. This poses a serious challenge to the growth aspirations of the Indian steel industry, unless the Jharia fields are developed.

**Environment and energy consumption:** Increasingly, environmental concerns are taking centre stage and the Indian steel industry is not immune to this trend. The steel industry is energy-intensive and is the second biggest consumer of energy globally. This leads to a higher carbon footprint and also affects the immediate environment. Using energy-efficient methods to produce steel will not only reduce production costs but also improve competitiveness. This can be achieved through highly developed energy management systems and usage of the latest technologies in steel production. Going forward, if the Indian steel industry is to fulfil its growth aspirations, it will have to continuously upgrade to energy efficient technologies and invest in processes that help reduce the carbon footprint. The Indian government has already released draft environment guidelines which are quite stringent and may become stricter in future.

Besides the above challenges, two more threats that can turn into potential challenges and hamper the growth aspirations of the Indian steel industry. The first arises from global steel trade and the second is digital disruption.

China is the world’s largest steel producer, accounting for 51.3% of global production and an output that is nearly eight to nine times higher than that of the second largest producer, which is India. Clearly, exports from China have the potential to disrupt global trade and international steel prices. Moreover, in the last couple of years, protectionist barriers are being put up by various nations against steel imports. With a growing market, India is a potential destination for all the displaced exports from countries like China, Japan and Korea, who all have a substantial export basket in steel products. This can be perceived as a threat rather than a challenge. However, if the areas outlined above are not addressed vis-à-vis improving India’s competitiveness in terms of costs, this threat can become a challenge to the growth aspirations outlined in the National Steel Policy, 2017.

The impact of digital disruption on organisations, steel companies tend to be overlooked. However, the fact is that entire industry needs an upgrade to achieve its true potential moving forward, especially considering the various challenges the industry is facing. Continuous trade wars between the world’s major economies and the steel vs aluminium debate in auto manufacturing are some of the many well-known threats that the steel industry needs to develop strategies for. Likewise, unexpected threats, the surprises that arise through digital technologies and changing customer expectations also merit consideration. These new and possibly more disruptive improvements can challenge the traditional steel company’s business models. Digital disruption will enable the steel industry to prepare itself for unexpected challenges and become more competitive.



Risk is an integral factor in virtually in all types of businesses and have to be addressed and mitigated to minimize the risks. At the Company’s level, risks are adequately identified, estimated and controlled by proper risk mitigations. The Company has taken adequate risk minimization measures in all the business verticals and in other activities like operations, finance, HR, etc. by leveraging its in-depth knowledge of the business acquired during the last 20 years by knowing the markets trends, its competitors and steel sector policies and respond accordingly towards the management of risks. However, the unpredictable challenges like inflation, liquidity crunch, slower industrial growth, depreciating rupee, political instability and volatile commodity prices may likely to affect performance of the industry in future despite the risk measures taken by the company. During FY 2021-22, the Company with a focused approach took initiatives in the value chain excellence, overall operational excellence, pandemic & crisis management, throughout maximization, enriching product mix, customer centricity with diversification of customer base, sustainable initiatives, employee engagement, synergy & integration, leveraging IT & digital to sustain the most critical situation in the pandemic times. As a priority the Company is taking a long-term Initiative for a sound robust liquidity management and working capital optimization with better planning taking all the risk parameters into consideration.

### DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Shyam Metalics and Energy Limited (SMEL) is one of India’s leading steelmakers with an integrated value-chain. It is based in India (West Bengal and Odisha) with a focus on Long Steel Products, Structural Products, Ferro Alloys and Aluminium Foil. The Company also possess captive power plant and captive railway siding. The Company has a consistent track record of delivering operating profitability, and since the commencement of its operations in Fiscal 2005, it has delivered a positive EBITDA in each of the fiscals. Products manufactured by the Company are sold domestically as well as internationally to over 20 nations.

The Company's credit facilities has been affirmed with: AA- (Positive) Credit Rating from CRISIL & CARE for Long-term Bank facilities and A1+ (Positive) for Short-term Bank facilities from CRISIL & CARE. The outlook on the long-term rating remains stable.

- Total Income increased by 54.64% from ₹ 3073.96 Crores to ₹ 4753.58 Crores.
- EBITDA increased by 72.85% from ₹ 717.85 Crores to ₹ 1240.84 Crores.
- Net Profit increased by 84.61% from ₹ 438.90 Crores to ₹ 810.27 Crores.

**Brief Standalone financial performance for 2021-22 is given below:**

(Amount in ₹ Crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Total Income	4753.58	3073.96
EBITDA	1240.84	717.85
Interest and Financial Charges	8.96	38.72
Profit before Tax	1112.27	529.47
Tax expenses	302	90.57
Net Profit	810.27	438.90

**DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREOF**

Ratios	2021-22	2020-21	% Change
Debtors Turnover (in times)	23.09	16.05	44%
Inventory Turnover (in times)	6.04	4.62	31%
Interest Coverage Ratio (in times)	246.92	1.94	12612%
Current Ratio (in times)	2.35	1.63	44%
Debt Equity Ratio (in times)	0.05	0.13	-64%
Operating Profit Margin (%)	27%	20%	33%
Net Profit Margin (%)	17%	15%	20%

#### INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company's Board of Directors operates an extensive system of internal control. It includes the organisation's plans and policies to ensure orderly and efficient business conduct. The Board has also set-up appropriate processes to monitor the relevant external and internal risks. The Company follows a well-defined model of internal control system to deal efficiently and effectively with all the five components of Internal Control System, namely:

- Risk assessment.
- Control environment.
- Control activities.
- Information and communication.
- Monitoring the activities of the different levels of the organisation.

The Company's internal audit is carried out effectively, leading to an independent and systematic assessment of its data, records, performances, and so on with a pre-determined objective. It has the potential to be one of the most influential and value-added services available to the Board. It emphasises on:

- Operational effectiveness and efficiency.
- Resource protection.
- Reliability of internal and external reporting.
- Compliance with applicable laws, regulations and internal policies.



Internal audit works as a catalyst for improving an organisation's effectiveness, thus providing insight and recommendations based on analysis and assessments of data and business processes. With its commitment to integrity and accountability, internal audit provides value to governing bodies and senior management as an objective source of independent advice. The organisation promotes independent examination of its plans and the policies, subject to the overall control environment supervision by the Board Level Audit Committee. This leads to accountability and transparency of operations and promotes independent examination. During the year, the Company focused on encouraging independent decision making, documentation of shortcomings of the various processes and departments, and correction of the work processes. It is supplemented by well-documented policies, guidelines, procedures and regular reviews, which are carried out by the Independent Chartered Accountant Firm to conduct internal audit. The reports containing significant audit findings if any are submitted to the Company's management and its Audit Committee.



#### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

The Company considers the quality and commitment of its human resources to be its most important asset and places great emphasis on training and development of human resources at all levels and providing conducive working environment. The Management firmly believes that business cannot grow without utilising the potential of its human resources.

As on 31st March, 2022 the total strength of Employees is 3685 and Trainees is 263. The Company maintains a cordial relationship with its employees and values the safety of its employees ensuring safe work practices and the Board of Directors and the Management record their appreciation of all its employees for their valuable contribution towards the growth of the Company.

#### **CAUTIONARY STATEMENT**

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual result could differ materially from those expressed in the statement or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments.

## Board's Report

### To the Members,

Your Directors are pleased to present the 20th (Twentieth) Annual Report and Audited Financial Statement of the Company for the year ended 31st March, 2022.

### FINANCIAL HIGHLIGHTS

The financial performance of the company for the year ended 31st March, 2022 is summarized as below:

(₹ in Crores)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Total Revenue	4753.58	3073.96	10453.97	6320.79
Operating EBITDA	1145.67	667.63	2599.88	1394.04
Add : Other Income	95.17	50.22	60.01	23.72
Less: Interest (Finance Cost)	8.96	38.72	23.16	62.46
Profit before Depreciation/amortization and taxes (PBDAT)	1231.88	679.13	2636.73	1355.30
Less: Depreciation and amortization	119.61	149.66	272.40	300.36
Profit before tax (PBT)	1112.27	529.47	2364.33	1054.94
Adjustments for taxation				
Current Tax	197.21	115.82	539.46	266.56
Deferred Tax	4.00	(25.25)	(0.08)	(55.16)
Mat Credit Utilised	100.79	0.00	100.79	0.00
Profit after tax (PAT)	810.27	438.90	1724.18	843.54
Other comprehensive income for the year	40.83	3.50	43.57	5.15
<b>Total comprehensive earning for the year</b>	<b>851.10</b>	<b>442.40</b>	<b>1767.75</b>	<b>848.69</b>

### FINANCIAL PERFORMANCE

The Standalone Gross Income for the financial year 2021-22 stood at ₹ 4753.58 crores (P.Y ₹ 3073.96) representing a growth of 54.64%. During the financial year ended 31st March, 2022, despite all odds arising on account of second wave of Covid 19 pandemic, your Company recorded a profit before tax of ₹ 1112.27 as against ₹ 529.47 crores in previous year an increase of 110.07%. Net profit after tax also increased by 84.61% at ₹ 810.27 crores compared to ₹ 438.90 crores in previous year. EBITDA Margin was at 24.59% in F.Y 2021-22 as compared to 22.08% in F.Y 2020-21.

The Gross consolidated revenue has increased from ₹ 6320.79 Crores in F.Y 2020-21 to ₹ 10453.97 Crores in F.Y 2021-22 representing a growth of 65.39%. PBT also increased from ₹ 1054.94 Crores in F.Y 2020-21 to ₹ 2364.33 Crores in the F.Y 2021-22, a growth of 124.12%. PAT increased from ₹ 843.54 Crores in F.Y 2020-21 to ₹ 1724.18 Crores in F.Y 2021-22, a growth of 104.39%. Finance cost came down by 62.92% from ₹ 62.46 Crore in F.Y 2020-21 to ₹ 23.16 Crore in F.Y 2021-22. EBITDA rose from ₹ 1394.04 Crores in F.Y 2020-21 to ₹ 2599.88 Crores in F.Y 2021-22, a growth of around 86.50% on account of higher sales realisation, greater share of value-added products and cost optimisation measures.

### MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION AND CHANGE IN BUSINESS

There have been no material change(s) and commitment(s), except elsewhere stated in this report, affecting the financial position of the Company between the end of the financial year of the Company i.e. March 31, 2022 and the date of this report.

There has been no change in the nature of business of the Company during the financial year ended on March 31, 2022.

### STATE OF COMPANY'S AFFAIRS

Shyam Metals and Energy Ltd is a leading integrated metal producing company with a focus on long steel products and ferro alloys. It is amongst the largest producers of ferro alloys in terms of installed capacity and the fourth-largest player in the sponge

## Board's Report

iron industry. The company is primarily engaged in the production of long steel products such as iron pellets, sponge iron, steel billets, TMT, structural products, wire rods, and ferro alloys.

### OPERATIONAL HIGHLIGHTS

A Brief Highlight of the production on Y-O-Y basis of the Company in comparison to the installed capacity is as mentioned below:

#### STANDALONE

Sl. No.	Particulars	F.Y 2021-22			F.Y 2020-21		
		Installed Capacity (MTPA)	Production (MTPA)	Capacity Utilisation (%)	Installed Capacity (MTPA)	Production (MTPA)	Capacity Utilisation (%)
1.	IRON PELLET	1800000	1108337	92.24	1200000	1119911	93.33
2.	SPONGE IRON	957000	688177	81.63	792000	584468	73.80
3.	BILLETS	407920	481632	118.07	407920	437806	109.10
4.	LONG PRODUCT	440000	394634	89.69	380000	311140	81.88
5.	FERRO PRODUCT	98000	82621	84.31	98000	70842	72.00

#### CONSOLIDATED

Sl. No.	Particulars	F.Y 2021-22			F.Y 2020-21		
		Installed Capacity (MTPA)	Production (MTPA)	Capacity Utilisation (%)	Installed Capacity (MTPA)	Production (MTPA)	Capacity Utilisation (%)
1.	IRON PELLET	3013151	2139789	71.01	2400000	2464786	102.70
2.	SPONGE IRON	1640250	1429028	87.12	1389900	1084190	78.00
3.	BILLETS	912702	834344	91.41	898960	837923	93.21
4.	LONG PRODUCT	931633	853575	91.62	790000	624129	79.00
5.	FERRO PRODUCT	205920	205331	99.71	205920	163513	79.41

Further, a Comparison of Standalone and Consolidated product wise Sales of the Current financial year to the Previous financial year is as mentioned below:

#### STANDALONE

Sl. No.	Particulars	F.Y 2021-22		F.Y 2020-21	
		Quantity (MT)	Amount (₹ in Crores)	Quantity (MT)	Amount (₹ in Crores)
1.	IRON PELLET	899168	1112.34	868310	736.50
2.	SPONGE IRON	245244	752.38	190300	387.91
3.	BILLETS	89622	383.47	131014	396.38
4.	LONG PRODUCT	375573	1830.62	291058	1047.71
5.	FERRO PRODUCT	80939	548.34	73842	440.41



## Board's Report

### CONSOLIDATED

Sl. No.	Particulars	F.Y 2021-22		F.Y 2020-21	
		Quantity (MT)	Amount (₹ in Crores)	Quantity (MT)	Amount (₹ in Crores)
1.	IRON PELLETS	1468870	1828.72	1769996	1500.18
2.	SPONGE IRON	580035	1768.03	325644	683.76
3.	BILLETS	179726	781.93	240949	746.08
4.	LONG PRODUCT	806122	3947.44	613670	2253.14
5.	FERRO PRODUCT	203818	1915.21	182592	1112.83

Notwithstanding the massive disruption caused by the pandemic in early FY'22, the Company's wide product profile and geographical diversification helped the Company report higher production and sales (Standalone) on year-on-year basis. During FY'22, production of steel increased by 9.16% (y-o-y) to hit a record of 27,55,401 MTPA as against 25,24,167 MTPA in FY'21, whereas the sales of various steel products during FY'22, also reached the highest ever level of 16,90,546 MT, an increase of 8.75% (y-o-y) as compared to 15,54,524 MT in FY'21.

On Consolidated basis the production increased from 51,74,541 MTPA to 54,62,067 MTPA, a growth of around 5.56% y-o-y basis, whereas Sales increased from 31,32,851 MTPA to 32,38,571 MTPA, a growth of 3.37% y-o-y basis.

Due to Second and Third Wave of COVID 19 pandemic, restrictions were imposed in several parts of the world resulting into lower export of ₹ 335.26 Crores as compared to the previous financial year 2020-21 i.e. ₹ 381.79 Crores.

### POWER

During FY'22, the power generation was 122.82 MW as against 106.44 MW on per day basis in FY'21.

### DIVIDEND

During the year under review, the company had declared interim dividend on two occasions @ 22.5% (₹ 2.25/- per equity share) on 08th November, 2021 & 09th February, 2022. The same were paid on 24th November, 2021 & 04th March, 2022 respectively.

The Board has also recommended the final dividend @ 27% (₹ 2.70/- per equity share) subject to approval of shareholders at the ensuing annual general meeting.

The dividend pay-out is in accordance with the Company's Dividend Distribution Policy. Further, in terms of the provisions of the finance act, 2020, dividend shall be taxed in the hands of shareholders and the company shall withhold tax at source at the applicable rates.

### IMPACT OF COVID 19

The COVID-19 pandemic has led to the unprecedented health crisis and has disrupted economic activities and global trade while weighing on consumer sentiments. During fiscal 2022, India saw second and third waves of COVID-19 driven by the highly transmissible Delta and Omicron COVID variants respectively. This led to a fresh set of restrictions in the country which impacted the economic activity, although to a lower extent as compared to the previous fiscal year. There was price volatility of raw materials and sluggish market demand during first half of the financial year. Global supply chain and logistics disruption, container capacity constraints and geo-political tensions resulted in an increase in the freight costs and delivery times and higher commodity prices.

The Company dealt with the pandemic by continuing to focus on operational excellence, marketing strategies and keeping its employees & community at the core of it. The health and safety of employees and the communities in which the Company operates continue to be the foremost priority of the Company. To mitigate the risks and challenges faced by the Company during the pandemic, the Company enhanced safety and hygiene norms at offices, implemented work from home, staggered shift timings for safety of employees and leveraged digital platforms for its day-to-day operations. Further, the Company's three-

## Board's Report

pronged communication strategy – awareness, engagement and reinforcement helped spreading awareness amongst various communities. During the challenging times, the Company maintained its liquidity position by minimizing cash outflows and maintaining a judicious mix of funding instruments to fulfil its operational requirements.

### DIVIDEND DISTRIBUTION POLICY

The Board of Directors of your Company had approved the Dividend Distribution Policy in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations"). The Policy may be accessed on the website of the Company at: [https://www.shyammetalics.com/wp-content/uploads/2022/04/Dividend\\_Distribution\\_Policy.pdf](https://www.shyammetalics.com/wp-content/uploads/2022/04/Dividend_Distribution_Policy.pdf)

The objective of this policy is to establish the parameters to be considered by the Board of Directors of your Company before declaring or recommending dividend.

### TRANSFER TO RESERVES

The company does not propose to transfer any amount to the reserve from surplus. An amount of ₹ 810.27 crore (previous year ₹ 438.90 crore) is to be held as Retained Earnings.

### INITIAL PUBLIC OFFER (IPO) OF EQUITY SHARES

Your Directors are pleased to inform that, your Company completed the IPO of its equity shares of 2,97,05,880 Equity shares of ₹ 10/- each comprising of a Fresh Issue of 2,14,70,588 Equity shares of ₹10/- each and Offer for Sale (OFS) of 82,35,292 Equity shares of ₹ 10/- each by M/s. Narantak Dealcomm Limited, M/s. Subham Capital Private Limited, M/s. Subham Buildwell Private Limited, M/s. Dorite Tracon Private Limited and M/s. Kalpataru HouseFin & Trading Private Limited, promoters of the Company.

The market gave buoyant response to the IPO and it was oversubscribed by 121.43 times, pursuant to Initial Public Offering ("IPO") of the Company by way of a Fresh Issue and an Offer for Sale. The Equity Shares of your Company are listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) with effect from June 24, 2021.

As per the objects of the offer, the net proceeds of the fresh issue were to be utilised towards:

- Repayment and/or Prepayment, in full or part, of debt of the Company and Shyam Sel & Power Limited (Wholly Owned Subsidiary); and
- General Corporate Purposes.

Post the issue, 88.35% of the Equity Share Capital of your Company is held by the Promoter and Promoter Group.

### UTILISATION OF IPO PROCEEDS

Your Company has appointed Axis Bank Limited as the Monitoring agency in terms of regulation 41(2) of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended, to monitor the utilization of IPO proceeds and Company has obtained a monitoring report from the Monitoring agency and filed the same with both exchanges where equity shares of the Company are listed. The proceeds realized by the Company from the IPO utilized as per the objects of the offer as disclosed in the Prospectus of the Company.

Out of the IPO proceeds, your Company has utilized the funds as per the below mentioned table:

Sl. No.	Item Head	Amount to be Utilised (₹ in Cr.)	Amount Utilised during the year ended 31.03.22 (₹ in Cr.)	Unutilised Amount as on 31.03.22 (₹ in Cr.)
1.	Repayment and / or Prepayment, in full or part, of debt of the Company and Shyam Sel & Power Limited (Wholly Owned Subsidiary)	470.00	470.00	Nil
2.	General Corporate Purposes	149.96	149.96	Nil

There has been no deviation in the utilization of the IPO proceeds of the Company. The Monitoring Agency Report are available

## Board's Report

at the Company's website at [www.shyammetals.com](http://www.shyammetals.com). Further, the details of Utilisation of Net IPO Proceeds for the year ended March 31, 2022 has been provided in notes to the Accounts of the Financials of the Company.

Pursuant to listing of equity shares on the stock exchanges, your Company enjoys the benefit of enhanced brand name and creation of public market for the equity shares of the Company.

### CAPEX AND LIQUIDITY

During the period under review, the Company, on a consolidated basis spent ₹ 1,121.41 Crores on capital projects largely towards ongoing growth projects in India, essential sustenance and replacement schemes.

### CREDIT RATING

The company has updated the financial credit rating to AA- Positive for long term banking facilities and A1+ for short term banking facilities by CRISIL. The rating emphasizes the financial strength of the company in terms of the highest safety with regard to timely fulfilment of its financial obligations.

The above rating continues to draw strength from promoter's experience, operational efficiency by virtue of having an integrated plant, production of value-added products fetching higher margins, increasing profit levels and moderate its financial position.

### CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Companies Act, 2013 ("the Act"), the SEBI (LODR) Regulations, 2015 and Ind AS, the audited consolidated financial statements are provided in the Annual Report.

### SHARE CAPITAL

During FY'22, there was no change in the Authorised Share Capital. The company concluded its maiden initial public offering and the Paid-up Share Capital of the Company has increased from ₹ 2,33,61,01,000/- (Rupees Two hundred thirty-three crores sixty-one lacs one thousand only) divided into 23,36,10,100 equity shares of ₹10 each to ₹ 2,55,08,06,880/- (Rupees Two hundred fifty-five crores eight lacs six thousand eight hundred eighty only) divided in to 25,50,80,688 equity shares of ₹ 10 each. As at March 31, 2022, the Authorised Share Capital ₹ 290,00,00,000/- (Rupees Two hundred ninety crores only) divided into 29,00,00,000 (Twenty-nine crores) Equity shares of ₹ 10 each.

The Company had made an Initial Public Offer (IPO), during the year ended March 31, 2022 for 2,97,05,880 equity shares of ₹10/- each, comprising of a fresh issue of 2,14,70,588 equity shares by the Company and 82,35,292 equity shares offered for sale by selling shareholders. The Equity shares were issued at a price of ₹ 306/- per share (including a Share Premium of ₹ 296) of the total equity shares 3,00,000 equity shares were reserved for eligible employees at a discount of ₹ 15 per share.

Total Share Premium received from IPO (net of employee discount) is ₹ 635.32 crores reduced by the Company's share of IPO related expenses of ₹ 31.22 Crores.

The Company has not issued any shares or securities with differential voting rights nor granted stock options nor sweat equity.

### DEPOSITS

The Company has not accepted/received any deposits during the year under report, falling within the ambit of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

### RELATED PARTY TRANSACTIONS

In terms of Section 188 of the Act read with rules framed thereunder and Regulation 23 of the SEBI (LODR) Regulations, 2015 your Company has in place Related Party Transactions Policy dealing with related party transactions. The policy may be accessed at: [https://www.shyammetals.com/wp-content/uploads/2021/08/SMEL\\_Policy-Doc\\_Related-Party-Transactions.pdf](https://www.shyammetals.com/wp-content/uploads/2021/08/SMEL_Policy-Doc_Related-Party-Transactions.pdf)

All the related party transactions that were entered and executed during the year under review were on arm's length basis and in the ordinary course of business and within permissible framework of Section 188 of the Act and Rules made thereunder, read



## Board's Report

with Regulation 23 of Listing Regulations. There were no materially significant related party transactions made by the Company during the year that would have required the approval of the shareholders under regulation 23 of the Listing Regulations.

The details of the related party transactions entered by the Company on arm's length basis during the year under review are disclosed in Form AOC-2 as **Annexure - I**.

### **PARTICULARS OF LOANS, GUARANTEES, SECURITIES AND INVESTMENTS**

Details of Loans, Guarantees, Securities and Investments covered under the provisions of Section 186 of the Act are given in the notes to Financial Statements.

### **SUBSIDIARIES ASSOCIATE AND JOINT VENTURE COMPANIES**

A separate statement containing performance and highlights of Financial Statements of subsidiary, associate and joint venture companies is provided in the prescribed Form AOC-1 as **Annexure - I**.

The name of companies which have become or ceased to be subsidiary or joint venture or associate companies, if any, have been mentioned as below:

#### **CEASED TO BE SUBSIDIARIES**

M/s. Damodar Aluminium Private Limited (w.e.f. 09/09/2021)

M/s. Singhbhum Steel & Power Private Limited (w.e.f. 09/09/2021)

M/s. Renaissance Hydro Power Private Limited (w.e.f. 09/09/2021)

#### **CEASED TO BE ASSOCIATES**

M/s. Kecons Tradecare Private Limited (w.e.f. 09/09/2021)

M/s. Kolhan Complex Private Limited (w.e.f. 09/09/2021)

The financial statements of subsidiary companies are kept open for inspection by the shareholders at the registered office of the Company during business hours on all days except on Saturdays, Sundays and on public holidays upto the date of the Annual General Meeting ("AGM") as required under Section 136 of the Act. Any member desirous of obtaining a copy of the said financial statements may write to the Company at its Registered Office.

The audited financial statements including the consolidated financial statements and all other documents required to be attached thereto and financial statements of the subsidiary Company have been uploaded on the website of your Company at [www.shyammetalics.com](http://www.shyammetalics.com).

Your Company has framed a policy for determining "Material Subsidiary" in terms of Regulation 16(c) of Listing Regulations. The policy may be accessed on the website of the Company at: [https://www.shyammetalics.com/wp-content/uploads/2021/08/SMEL\\_Policy-Doc\\_Determining-Material-Subsidiary.pdf](https://www.shyammetalics.com/wp-content/uploads/2021/08/SMEL_Policy-Doc_Determining-Material-Subsidiary.pdf)

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, there was no change in the composition of the Board. However, the Board through Postal Ballot have proposed the Re-appointment of Mr. Sanjay Kumar Agarwal (DIN: 00232938) as Joint Managing Director, Mr. Dev Kumar Tiwari (DIN: 02432511) as Whole-time Director and Mr. Bhagwan Shaw (DIN: 03419298) as Whole-time Director for a further period of 5 Years commencing from 1st April, 2022.

In accordance with the requirement of the Companies Act, Mr. Mahabir Prasad Agarwal (DIN: 00235780) and Mr. Deepak Kumar Agarwal (DIN: 00560010) Directors retire by rotation and being eligible, offers themselves for re-appointment. Members' approval is being sought at the ensuing AGM for their re-appointment.

During the period under Review, the Non-Executive Directors (NEDs) of the Company had no pecuniary relationship or transaction with the Company, other than the sitting fees and commission, as applicable, received by them.

## Board's Report

In Terms of Section 149 of the Companies Act, Mr. Venkata Krishna Nageswara Rao Majji, Mr. Ashok Kumar Jaiswal, Mr. Yudhvir Singh Jain, Mr. Ajay Choudhury, Mr. Kishan Gopal Baldwa and Ms. Rajni Mishra are the Independent Directors of the Company.

### DECLARATION BY INDEPENDENT DIRECTORS

The Company has received the declarations from each of the Independent Directors that they meet the criteria of independence prescribed under Section 149 read with Schedule IV of the Act and rules made thereunder, as well as Regulations 16(1)(b) and 25(8) of the Listing Regulations. Based on the declarations received, the Board considered the independence of each of the Independent Directors in terms of above provisions and is of the view that they fulfil the criteria of independence and are independent from the management.

In terms of Section 150 of the companies Act, 2013 and rules framed thereunder, the independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs (IICA) and has confirmed to comply with the requirements of Rule 6(4) of the companies (Appointment and Qualification of Directors) Rules, 2014 (as amended), within the prescribed timeline.

### KEY MANAGERIAL PERSONNEL'S (KMP)

During the year under review, there has been no change in the Key Managerial Personnel's (KMP) of the Company. In terms of Section 203 of the Companies Act, 2013, following are the KMPs of the Company as on 31st March, 2022:

Mr. Brij Bhushan Agarwal - Vice Chairman and Managing Director

Mr. Sanjay Kumar Agarwal - Joint Managing Director

Mr. Deepak Kumar Agarwal - Whole-Time Director

Mr. Dev Kumar Tiwari - Whole-Time Director

Mr. Bhagwan Shaw - Whole-Time Director

Mr. Shree Kumar Dujari - Chief Financial Officer

Mr. Birendra Kumar Jain - Company Secretary

### PERFORMANCE EVALUATION

The Board of Directors understands the requirements of an effective Board Evaluation process and accordingly conducts the performance Evaluation every year in respect of the following:

- Board of Directors as a whole.
- Committees of the Board of Directors
- Individual Directors including the Chairman of the Board of Directors.

In compliance of the requirements of the provisions of section 178 of the Act, the Listing Regulations and the Guidance Note on Board Evaluation issued by SEBI in January, 2017, a performance Evaluation was carried out internally for the Board, Committees of the Board, Individual Directors including Chairman of the Board for the financial year ended March, 2022. During the year under review, the company has complied with all criteria of evaluation as envisaged in the SEBI Circular on Guidance Note on Board Evaluation such as preparation, participation, conduct and effectiveness.

The key objectives of conducting the Board evaluation process where to ensure that the Board and various committees of the Board have appropriate composition and they have been functioning collectively to achieve common business goals of the company. Similarly, the key objectives of conducting performance evaluation of the Directors through individual assessment and peer assessment where to ascertain if the directors actively participate in the Board / committee meetings and contribute to achieve the common business goals of the company.

## Board's Report

All the Directors carry out the aforesaid performance evaluation in a confidential manner and provide their feedback on a rating scale of 1 to 5 in the specified formats. The performance evaluation feedback of all the Directors including chairman is discussed by the independent directors in their separate meeting and forward their recommendation to the Chairperson of the Nomination and Remuneration committee (NRC). Thereafter, the NRC forward the recommendation to the Board of Directors.

The outcome of such performance evaluation exercise was discussed during the year at a separate meeting of the independent directors held on 15th March, 2022, and subsequently by the Nomination and Remuneration committee held on 18th May, 2022. The NRC forwarded their recommendation based on such performance evaluation process to the Board of Directors.

After completion of internal evaluation process, the Board at its meeting held on 18th May, 2022 also discussed the performance evaluation of the Board, its committees and individual directors. The performance evaluation of the independent Directors of the company was done by the entire Board of Directors, excluding the independent directors being evaluated. The Board expressed its satisfaction with the evaluation process and results thereof.

### BOARD AND COMMITTEES OF THE BOARD

#### Board Meetings:

The Board of Directors met 9 times during the period under review. For further details, please refer to the Report on Corporate Governance, which forms a part of this Annual Report.

#### Committee Meetings:

Pursuant to the various requirements under the Act and the Listing Regulations and to focus on specific areas and make informed decisions in line with the delegated authority, the Board of Directors has constituted the following committees:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee
- Risk Management Committee

Details of composition, terms of reference and number of meetings held for respective Committees are given in the Report on Corporate Governance, which forms a part of this Annual Report.

#### Code of conduct

The Code of Conduct is based on the principle that business should be conducted in a professional manner with honesty and integrity and thereby enhancing the reputation of the company. The Code ensures lawful and ethical conduct in all affairs and dealing of the company.

The same can be accessed on the Company's website at weblink: [https://www.shyammetalics.com/wp-content/uploads/2021/08/SMEL\\_Policy-Doc\\_Code-of-Conduct.pdf](https://www.shyammetalics.com/wp-content/uploads/2021/08/SMEL_Policy-Doc_Code-of-Conduct.pdf)

### SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

### NOMINATION AND REMUNERATION POLICY

In accordance with the provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI (LODR) Regulations, 2015 the policy on Nomination and Remuneration of Directors, KMPs and Senior Management of your Company and the criteria for determining qualifications, positive attributes and Independence of a director as specified in the relevant provision is uploaded on the website of the Company and may be accessed at: [https://www.shyammetalics.com/wp-content/uploads/2021/08/SMEL\\_Policy-Doc\\_Nomination-and-Remuneration.pdf](https://www.shyammetalics.com/wp-content/uploads/2021/08/SMEL_Policy-Doc_Nomination-and-Remuneration.pdf)



## Board's Report

### PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the top ten employees and the employees drawing remuneration in excess of the limits set out in the said rules and the disclosures relating to remuneration and other details required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure-V**.

### STATUTORY AUDITORS

Pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder and based on the recommendation of the Audit Committee and Board, M/s. S K Agarwal and Co Chartered Accountants LLP (ICAI Firm Registration No. 306033E/E300272), had been appointed as the Statutory Auditors of the company for a term of five years from the conclusion of 15th Annual General Meeting till the conclusion of 20th Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors from time to time in consultation with the Auditors.

Auditors Report to the shareholders for the year under review does not contain any qualification or adverse remarks. The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for further comments.

### SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Company has appointed M/s. MKB & Associates, Company Secretaries, (FRN: P2010WB042700) to conduct the Secretarial Audit of the Company for the financial year 2021-22. In terms of Regulation 24A of the SEBI (LODR) Regulations, 2015, M/s. Arvind Bajpayee, Practising Company Secretaries (COP No: 11186) were appointed as Secretarial Auditors of Shyam Sel & Power Limited, a material unlisted subsidiary of the Company for the financial year 2021-22.

The Secretarial Audit Reports issued by M/s. MKB & Associates, Company Secretaries, for the Company along with self explanatory observations thereof and M/s. Arvind Bajpayee, Company Secretaries for Shyam Sel & Power Limited, are annexed herewith as **Annexure-II**.

### COST AUDITORS AND COST AUDIT REPORT

In terms of sub-section (1) of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to maintain the cost records. Accordingly, such accounts and records have been maintained by the Company.

The Board of Directors, on recommendation of Audit Committee appointed M/s. Abhimanyu Nayak & Associates (FRN: 101052), Cost Accountants, as the Cost Auditors of the Company for auditing the cost records of the Company for the financial year 2022-23, subject to ratification of remuneration by the Shareholders of the Company in the 20th AGM of the Company. Accordingly, an appropriate resolution seeking ratification of the remuneration of ₹ 45000/- plus applicable taxes and actual out of pocket expenses incurred in connection with the cost audit for the financial year 2022-23 is included in the Notice convening the 20th AGM of the Company.

The Report of cost Auditors for the Financial Year ended March 31, 2022 is under finalisation and will be filed with MCA within prescribed time.

### RISK MANAGEMENT

The Company has in place a robust risk management framework which identifies and evaluates business risks and opportunities. The Company recognizes that these risks need to be managed and mitigated to protect the interest of the shareholders and stakeholders, to achieve business objectives and enable sustainable growth. The risk management framework is aimed at effectively mitigating the Company's various business and operational risks, through strategic actions. Risk management is embedded in our critical business activities, functions and processes. The risks are reviewed for the change in the nature and extent of the major risks identified since the last assessment. It also provides control measures for risk and future action plans.

## Board's Report

### INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements and such internal financial controls are operating effectively. Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

### CORPORATE SOCIAL RESPONSIBILITY

The Company strongly believes that sustainable community development is essential for harmony between the community and the industry. The Company endeavours to make a positive contribution especially to the underprivileged communities by supporting a wide range of socio-economic, educational and health initiatives.

The Board of Directors of the Company oversees the implementation of CSR Policy of the Company. In line with the provisions of the Act and on the recommendations of the CSR Committee, the Board of Directors has approved the CSR Policy of the Company. Detailed CSR Policy of the Company has been uploaded on the website of the Company at [www.shyammetalics.com](http://www.shyammetalics.com).

The Annual Report on the CSR activities for the financial year 2021-22 is annexed herewith as **Annexure- III**.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant material order(s) passed by the regulators/ courts which would impact the going concern status of the Company and its future operations during the year under review.

### ANY APPLICATION/PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

### DIRECTORS RESPONSIBILITY STATEMENT

Based on the framework of Internal Financial Controls (IFCs) and Compliance Systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors including the audit of IFCs over financial reporting by the Statutory Auditors and reviews performed by the management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's IFCs are adequate and effective during F.Y 2021-22

Pursuant to Section 134(3) (c) of the Act, your Directors state that:

- (a) in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed and there are no material departures;
- (b) 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 your Company as at the end of the financial year and of the profit of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the annual accounts on a going concern basis;
- (e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) 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.

## Board's Report

### OTHER INFORMATION

#### BUSINESS RESPONSIBILITY REPORT (BRR)

In compliance with Regulation 34(2)(f) of the Listing Regulations read with the SEBI Circular No. CIR/CFD/CMD/10/2015 dated November 4, 2015, your Company has prepared a BRR in the prescribed format for the financial year ended March 31, 2022 describing initiatives undertaken from an environmental, social and governance perspective, which is annexed to the Board's Report and marked as **Annexure - VI**.

The Policy on Business Responsibility has been uploaded on the website of the Company at [www.shyammetalics.com](http://www.shyammetalics.com) and is available at the link <https://www.shyammetalics.com/wp-content/uploads/2022/07/Business-Responsibility-Policy.pdf>

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As stipulated under SEBI (LODR) Regulations, 2015 a separate section titled "Management Discussion and Analysis Report" (MDA), forms part of this Annual Report.

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

The particulars related to conservation of energy, technology absorption and foreign exchange earnings and outgo as required to be disclosed under Section 134(3) (m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure-IV**.

#### ANNUAL RETURN

In accordance with the provisions of Sections 92 and 134(3)(a) of the Act read with the Companies (Management and Administration) Rules, 2014, the Annual Return for the financial year ended March 31, 2022 has been uploaded on the website of the Company on the following link <https://www.shyammetalics.com/wp-content/themes/shyam/assets/investors/annual-return/mgt-7.pdf>

#### CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements as set out in Regulation 17 of the SEBI (LODR) Regulations, 2015. The report on Corporate Governance, for the financial year ended 31st March, 2022, as stipulated in Regulation 34 read with Schedule V of the SEBI (LODR) Regulations, 2015 forms an integral part of this Annual Report.

The certificate received from M/s. KPA & Co. LLP, Company Secretaries confirming compliance with the conditions of Corporate Governance as stipulated in Regulation 34 read with Schedule V of the SEBI (LODR) Regulations, 2015 is annexed to the Corporate Governance Report.

#### WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company has formed a Whistle Blower Policy / Vigil Mechanism policy as required under Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. No personnel of the Company denied access to the Audit Committee. The Whistle-blower Policy is available on our website, at [www.shyammetalics.com](http://www.shyammetalics.com).

#### PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has adopted the policy against Sexual Harassment of Women at Workplace, for the purpose of preventing, prohibiting and redressing sexual harassment of female employees including permanent, temporary, on training and on contract basis at all the workplaces within the company, which are based on fundamental principles of justice and fair play.



## Board's Report

Further, an Internal Complaints Committee (ICC) has been constituted at every location where offices of the Company is situated which shall be responsible for redressal of complaints related to sexual harassment. The Company has put in place suitable processes and mechanisms to ensure issues of sexual harassment, if any, are effectively addressed. During the year under review, there were no complaints of sexual harassment received / reported.

### ACKNOWLEDGEMENTS

Your Board expresses its deep sense of gratitude and would like to place on record deep appreciation to our customers, business partners, vendors (both international and domestic), bankers, financial institutions and associates for all the support rendered during the year.

Your Board expresses their sincere appreciation for the continued co-operation and support extended to the Company by the Central Government, the Government of West Bengal and Odisha, Regularity Authorities, Stock Exchanges, Municipal Authorities and other local authorities in areas where we are operational and communities at large.

Your Board is deeply grateful to our investors and shareholders for the confidence and faith that has been reposed in us.

The Board acknowledges, appreciates and values the unwavering efforts by the employees, workmen and staffs including the Management headed by the Executive Directors who have worked together as a team despite the pandemic and overall challenging environment. The Board also appreciates the Independent Directors and the Non-Executive Directors of the company for their contribution by way of strategic guidance, sharing of knowledge, experience and wisdom, which helps your company to take the right decisions in achieving its business goals.

For and on behalf of the Board of Directors

Sd/-

**Mr. Brij Bhushan Agarwal**

Vice Chairman and Managing Director  
(DIN : 01125056)

Sd/-

**Mr. Sanjay Kumar Agarwal**

Joint Managing Director  
(DIN : 00232938)

Place : Kolkata

Date : 18th May, 2022

## Annexure to the Board's Report

### Annexure – I

#### FORM NO. AOC.1

#### Part "A": Subsidiaries

Statement containing salient features of the financial statement of Subsidiaries  
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

(₹ in Crores)

Sl No.	Particular	M/s. Shyam Sel and Power Limited
1.	Reporting period for the subsidiary concerned	31.03.2022
2.	Share capital	44.13
3.	Reserves & surplus	3062.08
4.	Total assets	4532.57
5.	Total Liabilities	1426.36
6.	Investments	348.95
7.	Turnover	5686.87
8.	Profit before taxation	1317.86
9.	Provision for taxation	337.78
10.	Profit after taxation	980.08
11.	Proposed Dividend	Nil
12.	% of shareholding	100

1. Names of subsidiaries which are yet to commence operations: **Nil**

2. Names of subsidiaries which have been liquidated or sold during the year:

**The following subsidiaries were sold during the year as mentioned below:**

- a. **Damodar Aluminium Pvt. Ltd. Cease to be subsidiary w.e.f. 09th September, 2021**
- b. **Singhbhum Steel & Power Ltd. Cease to be subsidiary w.e.f. 09th September, 2021**
- c. **Renaissance Hydro Power Private Ltd. Cease to be subsidiary w.e.f. 09th September, 2021**

## Annexure to the Board's Report

### Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ in Crores)

Name of Associates/Joint Ventures	Meghana Vyapar Pvt. Ltd. (Associate)	MJSJ Coal Ltd. (Joint Venture)
<b>1. Latest audited Balance Sheet Date</b>	31.03.2022	31.03.2022
<b>2. Shares of Associate/Joint Ventures held by the company on the year end</b>		
No.	100000	8559000
Amount of Investment in Associates/Joint Venture	0.10	0.00
Extend of Holding %	33.51	9
<b>3. Description of how there is significant influence</b>	33.51% of Shareholding gives equal right to exercise the power	9% of Shareholding gives equal right to exercise the power
<b>4. Reason why the associate/joint venture is not consolidated</b>	N.A.	N.A.
<b>5. Net worth attributable to Shareholding as per latest audited Balance Sheet</b>	Nil	Nil
<b>6. Profit / Loss for the year</b>		
i. Considered in Consolidation	0.14	-
ii. Not Considered in Consolidation	-	-

- Names of associates or joint ventures which are yet to commence operations: **Nil**
- Names of associates or joint ventures which have been liquidated or sold during the year:

**The following Associates were sold during the year**

- Kecons Tradecare Pvt. Ltd. Ceased to be Associate Company w.e.f. 09th September, 2021.**
- Kolhan Complex Pvt. Ltd. Ceased to be Associate Company w.e.f. 09th September, 2021.**

For and on behalf of the Board of Directors

Sd/-

**Mr. Brij Bhushan Agarwal**  
Vice Chairman and Managing Director  
(DIN : 01125056)

Sd/-

**Mr. Sanjay Kumar Agarwal**  
Joint Managing Director  
(DIN : 00232938)

Sd/-

**Mr. Shree Kumar Dujari**  
Chief Financial Officer

Sd/-

**Mr. Birendra Kumar Jain**  
Company Secretary

Place : Kolkata  
Date : 18th May, 2022

## Annexure to the Board's Report

### FORM NO. AOC-2

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

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

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

Sl. No.	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	NIL
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts/arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

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

Sl. No.	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	Shyam Sel and Power Limited (Wholly owned Subsidiary), Kalinga Infra Projects Limited (Subsidiary), Harshva Storage and Warehousing Private Limited (Subsidiary), Narantak Dealcomm Limited (Significant Influence), Dorite Tracon Private Limited (Significant Influence), Shyam Energy Limited (Subsidiary), Elysian Beautification Pvt. Ltd. (Significant Influence), Shyam Ferro Alloys Limited (Significant Influence).
(b)	Nature of contracts/arrangements/transactions	Sale/Purchase of Goods/Investments, Loans, Advances, Re-imbursment of Expenses with Shyam Sel and Power Limited, Purchase of Goods from Kalinga Infra Projects Limited, Rent paid to Harshva Storage and Warehousing Private Limited, Sale of Investments to Narantak Dealcomm Limited and Dorite Tracon Private Limited, Advance given to Shyam Energy Limited and Reimbursement of expenses to Elysian Beautification Pvt. Ltd., Advance given and received from Shyam Ferro Alloys Limited.
(c)	Duration of the contracts/arrangements/transactions	April, 2021 to March, 2022
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Value of transactions with Shyam Sel and Power Limited amounted to ₹ 1869.01 Crores, with Kalinga Infra Projects Limited amounted to ₹ 7.06 crores, with Harshva Storage and Warehousing Private Limited amounted to ₹ 0.02 crores, with Narantak Dealcomm Private Limited amounted to ₹ 91.54 crores, with Dorite Tracon Private Limited amounted to ₹ 14.81 crores, with Shyam Energy Limited amounted to ₹ 0.07 crores and Elysian Beautification Pvt. Ltd. amounted to ₹ 0.37 crores and Shyam Ferro Alloys Limited amounted to ₹ 100.28 crores during the F.Y 21-22.
(e)	Date(s) of approval by the Board, if any	The Board of Directors approved the abovementioned transactions on 08 <sup>th</sup> July, 2021.
(f)	Amount paid as advances, if any	For Shyam Energy Limited - as per the terms and conditions of contract. For Shyam Sel and Power Limited - as per the terms and conditions of contract. For Shyam Ferro Alloys Limited - as per the terms and conditions of contract.

For and on behalf of the Board of Directors

Sd/-

**Mr. Brij Bhushan Agarwal**

Vice Chairman and Managing Director  
(DIN : 01125056)

Sd/-

**Mr. Sanjay Kumar Agarwal**

Joint Managing Director  
(DIN : 00232938)

Place : Kolkata

Date : 18th May, 2022



## Annexure to the Board's Report

Annexure – II

### FORM NO. MR-3

#### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

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

To  
The Members,  
**SHYAM METALICS AND ENERGY LIMITED**

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

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India due to COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;
- v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - ii. The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011
  - iii. The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - iv. The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
  - v. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
  - vi. The Securities & Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008
  - vii. The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
  - viii. The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021

## Annexure to the Board's Report

- ix. The Securities & Exchange Board of India (Buyback of Securities) Regulations, 2018
- vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing/trading companies, the following laws/acts are also, inter alia, applicable to the Company:
- The Boilers Act, 1923
  - The Petroleum Act, 1934
  - The Legal Metrology Act, 2009

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

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

- The financial results for the quarter and year ended 31st March, 2021 were not approved and filed with the stock exchanges within the extended period of 30th June, 2021;*
- As required under Rule 10(1) of The Companies (Management and Administration) Rules, 2014, the company has not published the book closure date in the newspapers. However, the same was duly intimated to the Stock Exchanges;*
- As required under Regulation 42(1) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has not intimated the record date for payment of dividend as approved in the Annual General Meeting of the Company held on 18th September, 2021;*
- As required under Section 129(3) of Companies Act, 2013, the company has not attached along with its financial statement, a separate statement containing the salient features of the financial statement of its subsidiary or subsidiaries and associate company or companies in Form AOC-1.*

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice 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.
- None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

We further report that, pursuant to Initial Public Offer, the company got itself listed on BSE Limited and National Stock Exchange of India Limited on 24th June, 2021.

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

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

**Manoj Kumar Banthia**  
Partner

**Membership no. 11470**  
**COP no. 7596**

**Date: 18.05.2022**  
**Place: Kolkata**  
**UDIN: A011470D000339776**

## Annexure to the Board's Report

### Annexure- I

To  
The Members,  
**SHYAM METALICS AND ENERGY LIMITED**

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

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

**Manoj Kumar Banthia**  
*Partner*  
**Membership no. 11470**  
**COP no. 7596**

**Date: 18.05.2022**  
**Place: Kolkata**  
**UDIN: A011470D000339776**

## Annexure to the Board's Report

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2022**

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

To,  
The Members,  
**SHYAM SEL AND POWER LIMITED**  
**(CIN: U27109WB1991PLC052962)**  
5, C.R. AVENUE  
PRINCEP STREET  
Kolkata – 700072

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHYAM SEL AND POWER LIMITED** having **CIN-U27109WB1991PLC052962** ("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 books, papers, minutes 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 report covering the financial year ended on 31.03.2022 complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;
- (v) Employees' Provident Fund Act & Miscellaneous Provisions Act, 1952.
- (vi) Professional Tax Act, 1979.

I also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

- i. The Company being an unlisted company, the provisions of the Listing Agreement/Revised Listing Agreement with Stock Exchange are not applicable.

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

Further I have given my opinion on the basis of audit report submitted by S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP, the auditors of the company.



## Annexure to the Board's Report

**I further report that,**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Majority decision is carried through while the dissenting member's views were captured and recorded as part of the minutes.

**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.

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

Place: KOLKATA  
Date: 18/05/2022

**Name of the Company Secretary in Practice:**

**ARVIND BAJPAI**

**FCS NO: 10905**

**C.P. No: 11186**

**UDIN: F010905D000340291**

## Annexure to the Board's Report

'Annexure A'

**To the Secretarial Audit report of  
M/s. Shyam Sel and Power Limited  
For the financial year ended 31<sup>st</sup>March, 2022**

To,  
The Members,  
**SHYAM SEL AND POWER LIMITED**  
**(CIN: U27109WB1991PLC052962)**  
5, C.R. AVENUE  
PRINCEP STREET  
Kolkata – 700 072.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: KOLKATA**  
**Date: 18/05/2022**

**Name of the Company Secretary in Practice:**  
**ARVIND BAJPAI**  
**FCS No - 10905**  
**C.P. No.: 11186**  
**UDIN: F010905D000340291**

## Annexure to the Board's Report

### Annexure – III

#### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES OF THE COMPANY

- Brief outline on CSR Policy of the Company.

In accordance with the notification issued by The Ministry of Corporate Affairs dated 27th February, 2014 under Section 135 & Schedule VII of the Companies Act, 2013, the Company's Corporate Social Responsibility (CSR) Report is enunciated.

As a corporate citizen, Shyam Metals is committed to ensure the social upliftment of the community in which it operates through Corporate Social Responsibility ("CSR") initiatives. The Policy lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large.

Corporate social responsibility has been an integral part of the way company have been doing business. Your Company believes that Successful Corporates are very crucial members of the society with immense responsibility of uplifting the living standard of the community and meeting the sustainable development goals designed to be a "Blueprint to achieve a better and more sustainable future for all."

The company shall allocate at least 2% of its average net profit of the preceding three financial years towards certain activities to sustain and improve the quality of life of the communities it serves.

- Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Mahabir Prasad Agarwal	Chairman, Non-executive Director	2	2
2	Mr. Brij Bhushan Agarwal	Vice Chairman and Managing Director	2	2
3.	Mr. Ajay Choudhury	Independent Director	2	2

- 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.shyammetals.com](http://www.shyammetals.com)

- 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.
- 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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2020-21	Nil	Nil
2	2019-20	Nil	Nil
3	2018-19	Nil	Nil
	<b>Total</b>		

- Average net profit of the company as per section 135(5): ₹ 31750 Lakhs
- Two percent of average net profit of the company as per section 135(5): ₹ 635 Lakhs
  - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
  - Amount required to be set off for the financial year, if any: Nil
  - Total CSR obligation for the financial year (7a+7b-7c): ₹ 635 Lakhs

## Annexure to the Board's Report

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

Total Amount Spent for the Financial Year (in ₹) 2021-22	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
1798 Lakhs	Nil	NA	NA	NA	NA

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
NIL												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ In lakh)	Mode of implementation - Direct (Yes/ No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Drinking water in village, Health cam, health awareness	Clause I - (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Odisha,	sambalpur	41.52	Yes	SMF	CSR00007348
2.	Skill development centre, computer and sewing training, Support to Govt School transformation	Clause - II Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Odisha,	sambalpur	25.78	Yes	SMF	CSR00007348



## Annexure to the Board's Report

(1) Sl. 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 lakh)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
3.	Animal welfare, Health of animal, treatment, hospital and medicine cost	Clause - IV - Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	Yes	Odisha,	Sambalpur.	94.30	Yes	SMF	CSR00007348
4	Supporting local culture, place of national heritage. Local tribal culture support.	Clause - V Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;	Yes	Odisha,	Sambalpur	62.73	Yes	SMF	CSR00007348
5	Supporting sports of National importance, Prativa coaching centre. Local club sports promotion.	Clause - VII Contribution to the prime minister's national relief fund 8[or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)] or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;	Yes	Odisha,	Sambalpur	9.45	Yes	SMF	CSR00007348
6	Construction of Rural Roads, Levelling of ground, cleaning and area beautification	Clause - X Rural development projects	Yes	Odisha,	Sambalpur	164.22	Yes	-	-
7	Construction of Historical Museum	Clause - V Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;	Yes	Kolkata,	West Bengal	1400	No	SMF	CSR00007348
<b>Total</b>						<b>1798</b>			

## Annexure to the Board's Report

- (d) Amount spent in Administrative Overheads- Nil  
 (e) Amount spent on Impact Assessment, if applicable - NA  
 (f) Total amount spent for the Financial Year (8b+8c+8d+8e) -1798 Lakh  
 (g) Excess amount for set off, if any – 1163 Lakh

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	<b>635 Lakhs</b>
(ii)	Total amount spent for the Financial Year	<b>1798 Lakhs</b>
(iii)	Excess amount spent for the financial year [(ii)-(i)]	<b>1163 Lakhs</b>
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	<b>Nil</b>
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	<b>1163 Lakhs</b>

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

Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2020-21				Nil		
2.	2019-20				Nil		
3.	2018-19				Nil		
	<b>Total</b>				<b>Nil</b>		

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

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

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): NA

## Annexure to the Board's Report

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

For and on behalf of the Board of Directors

Sd/-

**Mr. Brij Bhushan Agarwal**

Vice Chairman and Managing Director  
(DIN : 01125056)

Sd/-

**Mr. Mahabir Prasad Agarwal**

Chairman CSR Committee  
(DIN : 00235780)

Sd/-

**Mr. Sanjay Kumar Agarwal**

Joint Managing Director  
(DIN : 00232938)

Place : Kolkata  
Date : 18th May, 2022

## Annexure to the Board's Report

### Annexure – IV

**INFORMATION IN ACCORDANCE WITH THE PROVISIONS OF SECTION 134(3) (m) OF THE COMPANIES ACT, 2013, READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014, REGARDING ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.**

#### A. ENERGY CONSERVATION

The Company continued to focus on initiatives that enable improve efficiency in energy use and has deployed several technological adoption to conserve energy.

Energy conservation was taken up as a key improvement during the year and the approach prioritises actions through a three-pronged strategy:

1. **Prevention / minimization** – i.e., Preventing Wastage / minimization of energy usage by achieving lower values of fuel / energy consumption.
2. **Improving Recovery** – Deploying innovative methods of recovering higher amount of unused fuel heat in various process exhausts / recovery system.
3. **Higher Re-use / Re-cycling** – Studying available potential of recovered energy from various sources and doing a cost-benefit analysis of practices required.

#### Steps Taken for Energy Conservation:

1. Optimisation of operation by installation of VVVF Drive in cooling tower fans, Boiler feed pumps, Cooling water pumps, Wire drawing mill motors and realised the power saving of approx. 15,45,000 KW per annum.
2. Replacement of low efficiency motors with high efficient IE-3 motors.
3. Optimisation of plant lighting by using high efficiency LED light fixture.
4. Use of Auto switching of lighting in all outdoors to optimise the power consumption and enhance the life of fixtures.
5. To achieve better power factor, additional APFC panels and HT capacitor banks has been installed to reduce the monthly energy bill.
6. Auto operation with sequential run of RMHS circuit has been adopted in Ferro plant to optimise the power consumption and reduce the maintenance cost.
7. Roughing motor operation has been optimised in WRM to reduce the idle operation.
8. To Use natural light in day time, transparent roof sheet has been providing in rolling mill plant.

#### B. Technology Absorption, Adoption and Innovation

1. Rolling mill capacity has been enhanced from 72,000 MT per annum to 1,44,000 MT per annum which realised the high productivity and specific power consumption by 11 KWH / Ton.
2. Pneumatic fly ash conveying system has been implemented to maintain better environment and reduction of vehicular moment inside the plant for better environment of plant.
3. Floating solar plant of 1.23 MW capacity has been commissioned to encourage renewable energy and reduction of carbon emission.

#### Productivity

1. Additional Two strand CCM (Continuous Casting Machine) has been installed in SMS-1 division for maximisation of hot billet charging to WRM and SMS production.



## Annexure to the Board's Report

2. Oxygen plant has been commissioned to meet out our captive requirement, optimisation of production cost and self-reliant.
3. 15 MT induction furnace has been replaced with 22 MT for enhancement of production and reduction of specific power.
4. Slag crusher capacity has been increased to recover total metal from slag.

### Research and Development (R&D)

1. Additional capacity enhanced in waste water treatment plant to reduce raw water consumption.
2. Sponge iron online conveying system has been implemented from product bin to direct dispatch loading bunker to minimise the vehicular moment inside.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows as under:

(₹ In Crores)

Particulars	F.Y 2021-22	F.Y 2020-21
<b>Foreign Exchange Earnings -Inflow</b>	<b>335.26</b>	<b>381.79</b>
<b>Value of Direct Imports (CIF Value) - Outgo</b>	<b>246.26</b>	<b>54.16</b>
<b>Expenditure in Foreign Currency - Outgo</b>	<b>0.22</b>	<b>1.66</b>

For and on behalf of the Board of Directors

Sd/-

**Mr. Brij Bhushan Agarwal**

Vice Chairman and Managing Director  
(DIN : 01125056)

Sd/-

**Mr. Sanjay Kumar Agarwal**

Joint Managing Director  
(DIN : 00232938)

Place : Kolkata  
Date : 18th May, 2022

## Annexure to the Board's Report

### Annexure - V

#### PARTICULARS OF MANAGERIAL REMUNERATION

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

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

Name of Directors & Key Managerial Personnel	Designation	Remuneration of Director/KMP for the F.Y 2021-22 (₹ In Crores)	Percentage Increase in Remuneration	Ratio to median remuneration
Mr. Brij Bhushan Agarwal	Vice Chairman and Managing Director	2,25,00,000/-	Nil	68.20 : 1
Mr. Sanjay Kumar Agarwal	Joint Managing Director	45,00,000/-	Nil	13.64 : 1
Mr. Deepak Kumar Agarwal	Wholetime Director - Finance	40,24,998/-	15%	12.20 : 1
Mr. Shree Kumar Dujari	Chief Financial Officer	24,06,641/-	Nil	7.29 : 1
Mr. Dev Kumar Tiwari	Wholetime Director	31,10,160/-	96.36%	9.43 : 1
Mr. Bhagwan Shaw	Wholetime Director	6,51,170/-	9.43%	1.97 : 1
Mr. Birendra Kumar Jain	Company Secretary	14,33,301/-	15.42%	4.34 : 1

- (ii) Percentage increase in the median remuneration of employees in the Financial Year: 13%
- (iii) The number of permanent employees on the roll of the Company: 3685
- (iv) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: The Average percentile increase in the Salaries of the employees was 13% and that of management was around 19.46%. There was no exceptional circumstances where the managerial remuneration was increased during the year.
- (v) the key parameters for any variable component of remuneration availed by the directors: N/A
- (vi) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

## Annexure to the Board's Report

### Statement of Particulars of Top 10 Employees pursuant to the Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl.	Employee Code	Name of the Employees	Designation	Remuneration Received	Nature of Employment	Qualification	Experience (Years)	Date of commencement of employment	Age (Years)	Last Employment	% of Equity Share held in the Company	Relation with Director, if any
1	11100001	Brij Bhushan Agarwal	Vice Chairman and Managing Director	2,25,00,000	Contractual	Graduate	20 Years	04-01-2002	49 Year	NA	9.13%	Son of Mr. Mahabir Prasad Agarwal and Cousin of Mr. Sanjay Kumar Agarwal
2	11100002	Sanjay Kumar Agarwal	Joint Managing Director	45,00,000	Contractual	Graduate	20 Years	04-01-2002	46 Year	NA	0.01%	Nephew of Mr. Mahabir Prasad Agarwal and Cousin of Mr. Brij Bhushan Agarwal
3	11100087	Deepak Kumar Agarwal	Wholetime Director - Finance	40,24,998	Contractual	Company Secretary (CS)	22 Years	01-04-2015	48 Year	Shyam Sel and Power Limited	0.00%	None
4	11100194	Sharad Jhunjhunwala	Business Head	38,67,340	Permanent	Graduate	28 Years	01-12-2017	50 Year	Flex Alloys Pvt. Ltd.	0.00%	None
5	11102989	Opendra Ku Verma	Sr. General Manger - DRI	32,92,279	Permanent	Graduate	30 Years	15-01-2018	55 Year	Monet	0.00%	None
6	11100201	Dev Kumar Tiwari	Wholetime Director	31,10,160	Contractual	Graduate	17 Years	01-04-2005	50 Year	Shyam Sel and Power Limited	0.00%	None
7	11104298	Rudra Sankar Das	General Manager - Pellet	30,66,585	Permanent	Graduate	20 Years	25-06-2019	44 Year	Tenova	0.00%	None
8	11100521	Amit Agrawal	GM - Commercial	30,14,298	Permanent	Chartered Accountant(CA)	15 Years	07-06-2007	39 Year	NA	0.00%	None
9	33301392	Hruday Ranjan Mohanty	Sr. General Manager - Electrical	27,80,226	Permanent	Graduate	31 Years	16-03-2017	55 Year	Axon Ispat	0.00%	None
10	11105696	Bishnu Charan Panda	Group Chief Human Resource Officer (CHRO)	23,39,601	Permanent	Ph.D - HR	27 Years	15-07-2021	49 Year	TATA Steel Long Products Ltd.	0.00%	None

Place : Kolkata

Date : 18th May, 2022

Sd/-

**Mr. Brij Bhushan Agarwal**

 Vice Chairman and Managing Director  
(DIN : 01125056)

For and on behalf of the Board of Directors

Sd/-

**Mr. Sanjay Kumar Agarwal**

 Joint Managing Director  
(DIN : 00232938)

## Annexure to the Board's Report

ANNEXURE - VI

### BUSINESS RESPONSIBILITY REPORT

[See Regulation 34(2)(f)]

#### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company: **L40101WB2002PLC095491**
2. Name of the Company: **Shyam Metalics and Energy Limited**
3. Registered address: **Trinity Tower, 7th Floor, 83 Topsia Road, Kolkata-700046**
4. Website: **www.shyammetalics.com**
5. E-mail id: **compliance@shyamgroup.com**
6. Financial Year reported: **2021-2022**
7. Sector(s) that the Company is engaged in (industrial activity code-wise):
  - i. **Ferro Alloys: 24104**
  - ii. **Sponge Iron: 24102**
  - iii. **TMT Bars: 24109**
  - iv. **Pellets: 24109**
  - v. **Billets: 24109**
8. List three key products/services that the Company manufactures/provides (as in balance sheet): **Sponge Iron, Pellets and Billets**
9. Total number of locations where business activity is undertaken by the Company
  - (a) Number of International Locations: **Nil**
  - (b) Number of National Locations: **1 (One) i.e. Sambalpur in Odisha**
10. Markets served by the Company: **India, United States, Italy, Dubai, Oman, South Korea, China, Taiwan, Vietnam, Bangladesh, Nepal, Myanmar, etc.**

#### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR): **255.08 Crores**
2. Total Turnover (INR): **4646.13 Crores**
3. Total profit after taxes (INR): **810.27 Crores**
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): **2.22%**
5. List of activities in which expenditure in 4 above has been incurred:
  - a.) **Drinking Water in Village, Health Awareness Programs including Health Camps.**
  - b.) **Skill Development Centre including computer training, sewing & handicraft centres.**
  - c.) **Animal Welfare Projects including treatment at hospital & medicine cost.**
  - d.) **Supporting Sports of National Importance, Prativa Coaching Centre, Local clubs, etc.**
  - e.) **Projects for Supporting Local Tribal Cultures, Places of National Heritage, etc.**
  - f.) **Construction of Rural Roads, Levelling of Grounds, Cleaning and Area beautification.**



## Annexure to the Board's Report

### SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/ Companies? **Yes 1 (One) subsidiary, Shyam Sel and Power Limited.**
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)  
**Yes, Shyam Sel and Power Limited participate in the BR initiative of the Company.**
- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

**No**

### SECTION D: BR INFORMATION

- Details of Director/Directors responsible for BR –
  - Details of the Director/Director responsible for implementation of the BR policy/policies
    - DIN Number: 01125056
    - Name: Mr. Brij Bhushan Agarwal
    - Designation: Vice Chairman and Managing Director
  - Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	01125056
2	Name	Mr. Brij Bhushan Agarwal
3	Designation	Vice Chairman and Managing Director
4	Telephone number	033-4016 4080
5	E-mail id	bbush@shyamgroup.com

- Principle-wise (as per NVGs) BR Policy/policies:

The National Voluntary Guidelines (NVG) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

<b>Principle 1</b>	<b>Ethics, Transparency &amp; Accountability</b>
<b>Principle 2</b>	<b>Sustainability of products &amp; services across life cycle</b>
<b>Principle 3</b>	<b>Employee's well being</b>
<b>Principle 4</b>	<b>Stake holder's engagement</b>
<b>Principle 5</b>	<b>Human Rights</b>
<b>Principle 6</b>	<b>Environment</b>
<b>Principle 7</b>	<b>Responsible Policy Advocacy</b>
<b>Principle 8</b>	<b>Inclusive Growth &amp; Equitable Development</b>
<b>Principle 9</b>	<b>Customer value</b>

- Details of compliance (Reply in Y/N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy / policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in Consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y

## Annexure to the Board's Report

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
3	Does the policy conform to any National / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies have been framed based on 'National Voluntary Guidelines' released by the Ministry of Corporate Affairs.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies have been approved by the Board of Directors and signed by the Vice Chairman & Managing Director.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Vice Chairman & Managing Director through the Functional Heads oversee the implementation of the policies across the organisation.								
6	Indicate the link for the policy to be Viewed online?	<a href="https://www.shyammetals.com/wp-content/uploads/2022/07/Business-Responsibility-Policy.pdf">https://www.shyammetals.com/wp-content/uploads/2022/07/Business-Responsibility-Policy.pdf</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

### 3. Governance related to BR

- a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company:

**The overall BR performance of the Company is reviewed by the BR Head annually and varied aspects of BR performance of each department/unit are assessed by the respective department/unit heads.**

- b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

**BR report is forming a part of the Annual Report. It is published annually. The report is also available on the Company's website at: [www.shyammetals.com](http://www.shyammetals.com)**

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1 - ETHICS, TRANSPERANCY AND ACCOUNTABILITY

1. Does the policy relating to ethics, bribery and corruption cover only the company?

**Yes. It is general policy of SMEL to conduct its business activities with the highest level of integrity and ethical standards and in accordance with all applicable laws. Whistle blower policy of the Company is in force to effectively address issues from any stakeholders.**

Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

**Yes, it covers all the stakeholders associated with the Company.**

## Annexure to the Board's Report

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof,

**No stakeholder complaint received in the past financial year.**

### Principle 2 - SUSTAINABILITY OF PRODUCTS & SERVICES ACROSS LIFE CYCLE

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- (a) Pellet

DES (Dust expression system) like ESP (Electrostatic precipitator) and Bag filters are used for the control of the dust emissions via the process, DSS (Dust suppression systems) like sprinklers and dry fog system are used for the fugitive emissions and ISO 45001 is being implemented in the company for the safety and health issues.

- (b) Sponge iron

DES (Dust expression system) like ESP (Electrostatic precipitator) and Bag filters are used for the control of the dust emissions via the process, DSS (Dust suppression systems) like sprinklers and dry fog system are used for the fugitive emissions and ISO 45001 is being implemented in the company for the safety and health issues.

- (c) Billet

The slag produced during the billet formation process is sent to the MRP (Metal recovery plant) for metal recovery (i.e. 10-15%) and after that it is sent to landfill after testing the slag for suitable tests like Toxicity Characteristic Leaching Procedure (TCLP) testing. ISO 45001 is being implemented in the company for the safety and health issues.

2. For each such product, provide the following details in respect of resources used (energy, water, raw material etc.) per unit of product (optional):

- (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?  
Not Applicable
- (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year? Not Applicable

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

**The Company focus on long term strong relationship with its suppliers. Social, ethical and environmental factors are considered while selecting the suppliers. It focuses on integrating sustainability in the procurement process. Effective system has been embedded to purchase the raw materials and act according to production and sales forecasts to ensure optimum raw materials procurement. Higher capacity of containers are used for transportation to save fuel.**

- (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof: **It is difficult to determine the percentage, but the Company ensures maximum inputs are sourced sustainably.**

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? **Yes.**

- (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

**To maintain sustainability in procurement process emphasises given to procure the materials from local areas surrounding the factory and preference given to local and MSME suppliers.**

5. Does the company have a mechanism to recycle products and waste? **Yes.**

If yes what is the percentage of recycling of products and waste.

**It is difficult to ascertain the exact percentage but the Company has started manufacturing of fly ash bricks which are manufactured from various industrial waste generated from thermal power plant such as fly ash, sand, stone, dust and cement. Company has comprehensive water conservation policy and have captive water reservoir in two plants of company.**

## Annexure to the Board's Report

### Principle 3 - EMPLOYEES WELL-BEING

- Please indicate the Total number of employees: **3685 employees**
- Please indicate the Total number of employees hired on temporary/contractual/casual basis. **1753 supply labor**
- Please indicate the Number of permanent women employees: **38 employees**
- Please indicate the Number of permanent employees with disabilities: **3 employees**
- Do you have an employee association that is recognized by management: **No**
- What percentage of your permanent employees is members of this recognized employee association? **Not Applicable**
- Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

- What number of your under mentioned employees were given safety & skill up- gradation training in the last year?
  - Permanent Employees: **1432**
  - Permanent Women Employees: **22**
  - Casual/Temporary/Contractual Employees: **2559**
  - Employees with Disabilities: **NA**

### Principle 4 - STAKEHOLDERS ENGAGEMENT

- Has the company mapped its internal and external stakeholders? **Yes**

The Company has mapped its internal and external stakeholders by way of following mechanisms:	
Investors and stakeholders	General Meetings, Annual Reports, Investor's meet, Communication with the shareholders
Local communities	Frequent visit and close interaction
Employees	Meetings, intranet, virtual meetings, training, survey
Customers	Customers meet, survey and various contests
Suppliers & dealers	Site visit, tour, meetings and feedback
Government & Regulatory Authorities	Industry bodies and forums
Media	Press release, interview and announcements

- Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?  
**The Company with its continuous efforts identifies vulnerable and marginalised communities around manufacturing unit and works towards their betterment by various initiatives. It also identifies disadvantaged, vulnerable and marginalised stakeholders and continuously works for their upliftment.**
- Special initiatives taken by the Company to engage with disadvantaged, vulnerable and marginalised stakeholders.  
**The Company keeps efforts for the communities residing in proximity of manufacturing unit for improving their standard of living, education, sanitation, skill development through various initiatives as a part of corporate social responsibility (CSR). The Company's vocational training centre imparts various vocational training for economic upliftment of the local people making them self-dependent.**

## Annexure to the Board's Report

The Company does not encourage any kind of discrimination based on caste, religion, sex, social background etc.

### Principle 5 - HUMAN RIGHTS

- Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

**The Company wherever possible, takes initiatives to promote awareness of human rights across value chain. The Company encourages all its partners to value human rights and always discourage any violation of human rights.**

- How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

**No complaint received in past financial year relating to human rights violation.**

### Principle 6 - ENVIRONMENT

- Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

**The policy is applicable to the Company. We aim to apply the principle across the value chain.**

- Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

**No**

- Does the company identify and assess potential environmental risks? Y/N

**Yes, Identification and assessment of potential risk is a continuous process. Sound monitoring system is in place to identify any potential risks involved in the operations. Any potential risks are addressed at the initial stages. Continuous monitoring and inspection is done on regular basis and necessary corrective actions are taken to mitigate the same.**

- Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

**Yes, Company already implemented Clean Development Mechanism, we already installed WHRB (Waste Heat Recovery Boiler) with each DRI unit for utilization of waste heat for power generation. The Company have submitted half yearly Compliance Report to MoEFCC with a copy to SPCB on periodic basis.**

- Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

**Yes, For Renewable energy, we already installed 1 MW Solar Power (Floating Type) and we are in process of installing 3 MW solar power (Roof top).**

**(<https://www.shyammetalics.com/sustainability/>)**

- Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

**Yes, the emissions/waste generated by the company for the financial year 2021-2022 was within the permissible limit given by CPCB /SPCB and has been reported to CPCB/SPCB.**

- Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

**None.**

### Principle 7 - RESPONSIBLE POLICY ADVOCACY

- Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

- Bengal chamber of Commerce**
- Bharat Chamber of Commerce**



## Annexure to the Board's Report

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

**The Company actively participate in the aforesaid forums on the issues and matters related to the interest of the stakeholders and continue advocacy the matters for advancement of public good.**

### Principle 8 - INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. Does the company have specified programs/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

**The Company focusses on responsible business practices with community-centric interventions. The thrust areas for us are sustainable livelihood – especially skill development and employability training, education and health care, all of which constitute the Human Development Index – a quality of life indicator.**

2. Are the programs/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

**Programmes/projects are undertaken through own promoted Charitable Trust/NGO and local community.**

3. Have you done any impact assessment of your initiative?

**Impact assessment is done internally to understand the effect of initiatives undertaken by the Company.**

4. What is your company's direct contribution to community development projects?

**Company's contribution to community development projects carried under CSR initiatives details of which is provided in the Director's Report and its annexure.**

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

**Yes, most of our programs are community related. We usually conduct monthly meetings in the locality or sometimes the frequency of meetings depends on project. In such meetings we listen to public reviews and their demands to identify the new projects for the community.**

### Principle 9 - CUSTOMER VALUE

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

**None**

2. Does the company display product information on the product label, over and above what is mandated as per local laws?

**The Company follows all legal requirements for product labelling and product information. The Company display product information on the product label.**

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year?

**One case related to trademark is pending in Hon'ble Calcutta High Court and is likely to be resolved shortly.**

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

**Yes, the Company believes that consumer satisfaction is key to the success of business. Therefore, the Company connects with consumers through dealers' network to understand quality feedback and also through market inspection and survey by own employees.**

For and on behalf of the Board of Directors

Sd/-

**Mr. Brij Bhushan Agarwal**

Vice Chairman and Managing Director  
(DIN : 01125056)

Sd/-

**Mr. Sanjay Kumar Agarwal**

Joint Managing Director  
(DIN : 00232938)

Place : Kolkata

Date : 18th May, 2022

## Report on Corporate Governance

for the year 2021-2022

**(Pursuant to Regulations 34(3) and Schedule V (c) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended)**

### Company's Philosophy on Corporate Governance:

Sound Corporate Governance practices are guided by culture, conscience and mindset of an organization and are based on principles of openness, fairness, professionalism, transparency and accountability with an aim to build confidence of its various stakeholders and paving way for its long-term success. In Shyam Metalics and Energy Limited, Corporate Governance is defined as a systematic process by which company is directed and controlled keeping in mind the long-term interests of all their stakeholders. Achievement of excellence in good Corporate Governance practices requires continuous efforts and focus on its resources, strengths and strategies towards ensuring fairness and transparency in all its dealings with its stakeholders including society at large.

Your Company's philosophy on the Corporate Governance is founded upon a rich legacy of fair and transparent governance practices which are essentially aimed at ensuring transparency in all dealings and hence seeks to focus on enhancement of long-term stakeholder value without compromising on integrity, social obligations and regulatory compliances. Your company operates within accepted standards of prosperity, fair play and justice and aims at creating a culture of openness in relationships between itself and its stakeholders. Even in a fiercely competitive business environment that the Company is operating in, the management and employees of your Company are committed to uphold the core values of transparency, integrity, honesty and accountability, which are fundamental to the Company and for achieving Corporate Excellence.

Your company confirms the compliance of Corporate Governance requirements during the financial year 2021-22 as specified in Regulations 17 to 27 read with Schedule V and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations.")

### Date of Report

The information provided in this report on Corporate Governance for the purpose of unanimity is as on March 31, 2022. This Report is also updated as on the date of the report wherever applicable.

### Board of Directors

#### Board Composition and category of Directors

The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with Section 149 of the Companies Act, 2013. The Board members possess adequate qualifications, knowledge, expertise and experience to provide strategic guidance to the company.

As on the date of this report, the Board consists of 12 (twelve) Directors, including and headed by Non-Executive Chairman, five Executive Directors, and six Independent Directors out of which one is Women Director.

As defined in the Regulation 17A of the SEBI (LODR) Regulations, 2015 none of the Directors is a member of the Board in more than seven listed entities and Independent Directors of the Company are not serving as an Independent Director in more than seven listed entities. Further, None of the Managing / Whole-time Directors of the Company are serving as an Independent Director in not more than three listed entities.

None of the Directors on the Board is a member of more than twenty Companies (including a maximum of 10 public companies) or a Member of more than ten Board-level Committees or a Chairman of more than five such Committees.

The independent Directors of the Company have declared that they meet the criteria for "independence" and / or "eligibility" as prescribed under Regulation 16(1)(b) of the Listing Regulations and Section 149 of the Companies Act, 2013 (as amended) (the "Act") and have given necessary confirmation in terms of Regulation 25(8) of the Listing Regulations. Based on the said declarations and confirmation received from the Independent Directors, the Board of Directors confirm that the independent

## Report on Corporate Governance

for the year 2021-2022

directors fulfill the conditions specified in aforesaid regulations and are independent of the management. Further, none of the Independent Directors has resigned from the directorship of the Company before the expiry of his/her tenure.

The composition and category of the Directors on the Board, as on the date of this report, are as follows:

Name of the Director	Designation	Category
Mr. Mahabir Prasad Agarwal	Chairman	Promoter – Non-Executive
Mr. Brij Bhushan Agarwal	Vice-Chairman and Managing Director	Promoter – Executive
Mr. Sanjay Kumar Agarwal	Joint Managing Director	Promoter – Executive
Mr. Deepak Kumar Agarwal	Whole Time Director	Executive
Mr. Dev Kumar Tiwari	Whole Time Director	Executive
Mr. Bhagwan Shaw	Whole Time Director	Executive
Mr. Venkat Krishna Nageshwara Rao Majji	Director	Independent
Mr. Ashok Kumar Jaiswal	Director	Independent
Mr. Ajay Choudhury	Director	Independent
Mr. Kishan Gopal Baldwa	Director	Independent
Mr. Yudhvir Singh Jain	Director	Independent
Ms. Rajni Mishra	Director	Independent

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

9 (Nine) Board Meetings were held during the Financial Year 2021- 22 and the gap between two meetings did not exceed 120 days. The Meetings were held on 04th May, 2021, 15th May, 2021, 4th June, 2021, 21st June, 2021, 08th July, 2021, 20th July, 2021, 8th November, 2021, 9th February, 2021 and 15th March, 2021. The attendance at the Board Meetings during the financial year 2021-22 and at the previous Annual General Meeting is as under:

Name of Director	No. of Board Meeting Attended out of total (/) no. of Meetings held	Last AGM Attended
Mr. Mahabir Prasad Agarwal	9/9	Yes
Mr. Brij Bhushan Agarwal	9/9	Yes
Mr. Sanjay Kumar Agarwal	8/9	Yes
Mr. Deepak Kumar Agarwal	9/9	Yes
Mr. Dev Kumar Tiwari	5/9	No
Mr. Bhagwan Shaw	4/9	Yes
Mr. Venkat Krishna Nageshwara Rao Majji	3/9	No
Mr. Ashok Kumar Jaiswal	9/9	Yes
Mr. Ajay Choudhury	7/9	No
Mr. Kishan Gopal Baldwa	8/9	Yes
Mr. Yudhvir Singh Jain	8/9	No
Ms. Rajni Mishra	8/9	Yes

The Board has devised proper system to ensure compliance with Provisions of all applicable laws and periodically reviewed the compliance reports of all laws applicable to the company and necessary steps were taken to ensure the compliance in letter and spirit.

## Report on Corporate Governance

for the year 2021-2022

### Separate Meeting of Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013 the Independent Directors met on 15th March, 2022 without the presence of Non-Independent Directors and Members of the Management. The meetings of Independent Directors were chaired by Mr. Kishan Gopal Baldwa, Independent Director and Chairperson of the Audit Committee. The Independent Directors, inter alia, evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board after considering the views of Executive and Non-Executive Directors and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

### Directorship, Committee membership and Chairmanship

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

Name of the Director	Number of Directorship in other Public Limited Companies *	Number of Membership including Chairmanship of Board Committee(s) **	Name of listed entities where he/she is a Director and category of Directorship
Mr. Mahabir Prasad Agarwal	2	-	-
Mr. Brij Bhushan Agarwal	3	-	Star Cement Limited. (Non-executive Director)
Mr. Sanjay Kumar Agarwal	3	1	-
Mr. Deepak Kumar Agarwal	1	-	-
Mr. Dev Kumar Tiwari	-	-	-
Mr. Bhagwan Shaw	-	-	-
Mr. Venkat Krishna Nageshwara Rao Majji	1	-	-
Mr. Ashok Kumar Jaiswal	-	2	-
Mr. Ajay Choudhury	2	-	-
Mr. Kishan Gopal Baldwa	-	1	-
Mr. Yudhvir Singh Jain	3	2	-
Ms. Rajni Mishra	2	2	Tunkai India Ltd. (Independent Director) Alpine Commercial Co Ltd. (Independent Director)

\* Includes private companies that are holding or subsidiary of the public company but excluding Companies under Section 8, Foreign Companies and dormant companies.

\*\* Memberships/Chairmanships of only Audit Committee and Stakeholders' Relationship Committee in other Public Limited Companies have been considered as per SEBI Regulations.

### Disclosure of Relationship Between Directors inter-se

Mr. Brij Bhushan Agarwal, Vice Chairman and Managing Director is Son and Mr. Sanjay Kumar Agarwal, Joint Managing Director is nephew of Mr. Mahabir Prasad Agarwal, Chairman of the Company.

### Details of Shares and Convertible Instruments held by Non- Executive Directors

Shareholding of non-executive directors are given in details under the Remuneration section of the Corporate Governance Report.

## Report on Corporate Governance

for the year 2021-2022

### Induction and Familiarization Program for Directors

As per the Listing Regulations, the Company shall provide suitable training to the Directors to familiarize them with the Company, nature of the industry in which the Company operates etc. The members of the Board of Directors are well acquainted with the industry and are provided necessary reports, documents and other presentations including interactive session with the Chairman, Vice Chairman and Managing Director and other functional heads of the Company. Efforts are made to familiarize the Directors about their roles, rights, and responsibilities. The Directors are regularly updated on the changes in policies, laws and regulations and other developments in the business. The details of the Director's induction and familiarization are available on the Company's website at [www.shyammetalics.com](http://www.shyammetalics.com)

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

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

List of Directors possessing the skills / expertise and competencies:

Name of Directors	Skills/Expertise and Competencies
Mr. Mahabir Prasad Agarwal	Leadership, Finance, Operations, Strategy, Production, Technical, Marketing, Branding, Board procedures and Corporate Governance, etc.
Mr. Brij Bhushan Agarwal	Leadership, Accounts, Finance, Operations, Strategy, Production, Technical, Logistics, Sales, Marketing, Branding, Board procedures and Corporate Governance, etc.
Mr. Sanjay Kumar Agarwal	Leadership, Accounts, Finance, Operations, Strategy, Production, Technical, Logistics, Legal, Sales, Marketing, Branding, Board procedures and Corporate Governance, etc.
Mr. Deepak Kumar Agarwal	Accounts, Finance, Treasury, Taxation, Costing, Legal, Secretarial Compliances and Government Regulatory Affairs, etc.
Mr. Dev Kumar Tiwari	Operations, Strategy, Leadership, Production and Technical.
Mr. Bhagwan Shaw	Inventory Management, Board procedures and Corporate Governance.
Mr. Venkat Krishna Nageshwara Rao Majji	Administration, General management, Board procedures and Corporate Governance.
Mr. Ashok Kumar Jaiswal	Accounts, Finance, Audit, Internal Audit, Taxation, Risk Management, Board procedures and Governance.
Mr. Ajay Choudhury	Administration and General management, Legal and Board procedures and Corporate Governance.
Mr. Kishan Gopal Baldwa	Accounts, Finance, Audit (including Internal Audit), Taxation, Risk Management, Board procedures, Corporate Governance and Government Regulatory Affairs.
Mr. Yudhvir Singh Jain	Accounts, Finance, Audit (including Internal Audit), Taxation, Risk Management, Board procedures and Corporate Governance.
Ms. Rajni Mishra	Government Regulatory Affairs, Secretarial Compliances, Board procedures and Corporate Governance.

### Board Meetings and Procedures

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

All the meetings are scheduled well in advance and notices are sent to all the Directors through the permitted mode. In case a meeting is called at shorter notice to transact urgent business, requirements of Section 173(3) of the Act are complied with. The agenda of the meeting are backed by necessary supporting information and documents to enable the Board to take informed



## Report on Corporate Governance

for the year 2021-2022

decisions. Agenda also includes minutes of the meetings of all the Board Committees and Subsidiaries for the information of the Board. Additional agenda items in the form of “Other Business” are included with the permission of the Chairman and consent of the members. Draft minutes of the proceedings of the Board/Committee Meetings are circulated in advance and comments, if any, received from the Directors are incorporated in the minutes in consultation with the Chairman. The Board periodically reviews compliance reports of all laws applicable to the Company. Information about major events/ items is placed before the Board and approval of the Board is taken on all such matters wherever such approval is required. Senior executives of the Company are invited as and when required to provide additional inputs or clarifications required on agenda items being discussed in the Board Meeting.

### Audit Committee:

The Company has a qualified and independent Audit Committee. The terms of reference, role, scope and composition of Audit Committee are in accordance with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Committee acts as a link between the management, the statutory and internal auditors and Board of Directors to oversee the financial reporting process.

As on the date of this report, the Committee consists of 4 (four) Directors, who bring with them vast experience in the field of accounts, finance & operations. The Company has been immensely benefited from the deliberations of the Audit Committee. Besides the Committee members, Director-Finance, Chief Financial Officer and other functional heads and Auditors (Statutory/Internal/Cost) of the Company are invited to attend the meeting, as and when required.

The Chairman of the Audit Committee is an Independent Director and the Company Secretary acts as the Secretary to the Committee.

The Audit Committee met 5 (five) times during the Financial Year 2021-22. The meetings were held on 8th July, 2021, 20th July, 2021, 8th November, 2021, 9th February, 2021 and 15th March, 2022.

The composition of the Audit Committee and the details of meetings attended by the members during the Financial Year 2021-22 are as under:

Name of the Director	Category	No. of Committee Meetings Attended out of (/) total No. of Meetings held
Mr. Kishan Gopal Baldwa	Chairman – Independent, Non-Executive	4/5
Mr. Ashok Kumar Jaiswal	Member – Independent, Non-Executive	5/5
Mr. Yudhvir Singh Jain	Member – Independent, Non-Executive	5/5
Mr. Sanjay Kumar Agarwal	Member -Executive	4/5

### Brief terms of reference of the Audit Committee:

- Oversight of the company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditor’s report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director’s Responsibility Statement to be included in the Board’s Report.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgement by the management.
  - Significant adjustments made in the financial statements arising out of audit findings.

## Report on Corporate Governance

for the year 2021-2022

- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of any related party transactions.
- Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing / monitoring 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.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- 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.
- Discussion with internal auditors of any significant findings and follow up there on.
- 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.
- 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.
- 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.
- To review the functioning of the Whistle Blower mechanism.
- Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.
- To review utilization of loans and / or advances from / investments by the holding company in the subsidiary exceeding ₹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.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.

### Nomination and Remuneration Committee

The composition of the Nomination & Remuneration Committee is in line with the requirements of Regulation 19 of the SEBI (Listing Obligations and Disclosure and Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013. As on the date of this report, the committee comprised of 3 (three) members wherein majority of them are Non-Executive Independent Directors.

## Report on Corporate Governance

for the year 2021-2022

Two meetings of Nomination and Remuneration Committee were held during the Financial Year 2021-22 i.e. on 8th November, 2021 and 15th March, 2022.

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

Name of the Director	Category	No. of Committee Meetings Attended out of total no. of meetings held
Mr. Ajay Choudhury	Chairman - Independent, Non-Executive	2/2
Mr. Ashok Kumar Jaiswal	Member - Independent, Non-Executive	2/2
Mr. Mahabir Prasad Agarwal	Member – Non-Independent, Non-Executive	2/2

The Company Secretary acts as Secretary to the Committee.

Pursuant to the section 178 of the Companies Act, 2013 and applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Board has approved & adopted the terms of reference of the Committee. Given below, inter-alia, is a gist of the terms of reference of the Nomination & Remuneration Committee.

- 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;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
  - formulation of criteria for evaluation of performance of independent directors and the board of directors;
  - devising a policy on diversity of board of directors;
  - 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;
  - 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;
  - recommend to the board, all remuneration, in whatever form, payable to senior management.

### Performance Evaluation criteria for Independent Directors

The Criteria for performance evaluation of Independent Directors of the Company forms an integral part of Directors Report.

### Remuneration to Directors

The Board of Directors of the Company has already adopted a policy for remuneration of the Board Members, Key Managerial Personnel (KMPs) & Senior Management Personnel (SMPs) in adherence with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013 and Rules made there under.

## Report on Corporate Governance

for the year 2021-2022

### (a) Remuneration to Non-Executive Directors:

The Non-Executive Directors of the Company are paid remuneration by way of sitting fees for attending the meetings of the Board of Directors and its Committees. Beside the sitting fees they are also entitled to re-imbursment of expenses for attending the meetings of the Board of Directors and its Committees. The Non-Executive Directors of the Company were not paid any other remuneration or commission.

The Non-Executive Directors are paid remuneration based on the criteria as mentioned in the Specified Policy of the Company available at the weblink: [https://www.shyammetalics.com/wp-content/uploads/2021/08/SMEL\\_Policy-Doc\\_Nomination-and-Remuneration.pdf](https://www.shyammetalics.com/wp-content/uploads/2021/08/SMEL_Policy-Doc_Nomination-and-Remuneration.pdf)

### (b) Remuneration to Executive Directors:

Remuneration policy/criteria of payment to Executive Directors:

The Company has a credible and transparent policy in determining and accounting for the remuneration of the Managing Director / Whole Time Directors (MD/WTDs). Their remuneration is governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards. The remuneration determined for MD / WTDs is subject to the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors, members in due compliance of the provisions of Companies Act, 2013 and other applicable rules made there under.

### Remuneration paid to the Directors

The details of remuneration paid to Whole-time Directors for the Financial Year 2021-2022 are as below:

Sl. No.	Name of the Director	Designation	Salary	Sitting Fees	No. of Shares held as on 31.03.2022
1.	Mr. Mahabir Prasad Agarwal	Chairman, Director	-	-	2,525
2.	Mr. Brij Bhushan Agarwal	Vice - Chairman and Managing Director	2,25,00,000	-	2,32,84,820
3.	Mr. Sanjay Kumar Agarwal	Joint Managing Director	45,00,000	-	31,580
4.	Mr. Deepak Kumar Agarwal	Whole Time Director	40,24,998	-	1710
5.	Mr. Dev Kumar Tiwari	Whole Time Director	31,10,160	-	-
6.	Mr. Bhagwan Shaw	Whole Time Director	6,51,170	-	-
7.	Mr. Ajay Choudhury	Independent Director	-	1,75,000	-
8.	Mr. Ashok Kumar Jaiswal	Independent Director	-	3,60,000	-
9.	Mr. Kishan Gopal Baldwa	Independent Director	-	2,60,000	-
10.	Mr. Yudhvair Singh Jain	Independent Director	-	3,20,000	100
11.	Mr. Venkata Krishna Nageswara Rao Majji	Independent Director	-	75,000	-
12.	Ms. Rajni Mishra	Independent Director	-	2,00,000	-
<b>Total</b>			<b>3,47,86,328</b>	<b>13,90,000</b>	<b>2,33,20,735</b>

### Service Contracts, Severance Fee, Notice Period and Stock Options

The appointment of the Executive Directors is governed by resolutions passed by the Board and the Shareholders of the Company. The service contracts entered into with them are in accordance with the Remuneration policy of the Company, which covers the terms and conditions of such appointment. There are no separate provisions for payment of severance fee under the resolutions governing the appointment of Executive Directors. A notice of three months is required to be given by a Director seeking to vacate office and the resignation takes effect upon the expiration of the notice or its earlier acceptance by the Board.

The Company has no stock option plans and hence such instruments do not form a part of the remuneration package payable to any Executive and/or Non-Executive Director. During the year under review, none of the Director were paid any bonus, pension or performance linked incentive.

## Report on Corporate Governance

for the year 2021-2022

### Pecuniary Relationship or transactions of Non-Executive Directors with the Company

There is no pecuniary relationship or transactions of the Non- Executive Directors vis-a-vis the Company except for the sitting fees paid to them for attending the Board and Committee Meetings and reimbursement of expenses for attending the Board and Committee Meetings.

### Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee has been constituted to specifically look into the mechanism of redressal of grievances of shareholders, debenture holders and other security holders to align with the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The Stakeholder Relationship Committee meetings were held on 20th July, 2021, 8th November, 2021 and 9th February, 2022 during the Financial Year 2021-22.

The Committee comprises of 3 (three) Directors. The Composition of Stakeholders Relationship Committee and the details of the meetings attended by the members are as follows:

Name of the Director	Category	Designation	No. of Committee Meetings attended out of total no. of meetings held
Mr. Ashok Kumar Jaiswal	Non-Executive, Independent	Chairman	3/3
Mr. Sanjay Kumar Agarwal	Executive	Member	3/3
Mr. Yudhvir Singh Jain	Non-Executive, Independent	Member	3/3

The Company Secretary acts as Secretary to the Committee.

Terms of reference of the Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

- 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.
- Review of measures taken for effective exercise of voting rights by the shareholders.
- 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.
- 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.
- Name and Designation of the Compliance Officer

#### **Mr. Birendra Kumar Jain - Company Secretary & Compliance Officer**

Name and Designation of Contact Person of Registrars and Share Transfer Agent of the Company

#### **Ms. Swati Reddy – Manager "M/s. Kfin Technologies Limited"**

During the year i.e. from 01.04.2021 to 31.03.2022, the status of complaints are as under:

Complaints pending as on 01.04.2021	Nil
Complaints received from Investors	5801
Complaints replied/resolved	5801
Complaints pending as at 31.03.2022	Nil



## Report on Corporate Governance

for the year 2021-2022

### RISK MANAGEMENT COMMITTEE (RMC)

The Board of Directors has constituted a Risk Management Committee in its meeting held on 15th March, 2022 in terms of Regulation 21 of the Listing Regulations. Chairman of the Audit Committee is also the Chairman of the Risk Management Committee.

Based on the recommendation of the Audit Committee, the Board of Directors has adopted a Risk Management Policy. RMC makes assessment of the framework of the Risk assessment process and assess the potential Risks and concerns for the company as well as suggests the best course of action to mitigate and avoid such risks.

The Composition of Risk Management Committee is as mentioned below:

Name of the Member	Category	Designation
Mr. Kishan Gopal Baldwa	Non-Executive, Independent	Chairman
Mr. Brij Bhushan Agarwal	Executive	Member
Mr. Deepak Kumar Agarwal	Executive	Member
Mr. Yudhvir Singh Jain	Non-Executive, Independent	Member

The brief terms of reference of the committee are:

- To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the company, in particular including financial, operational, sectoral, sustainability (particularly ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;
- Overseeing key risks, including strategic, financial, operational, IT (including cyber security) and compliance risks;
- Assisting the Board in framing, implementing and monitoring the risk management plan for the Company and reviewing and guiding the Risk Policy;
- Developing risk management policy and risk management system / framework for the Company.

The Company got listed on 24th June, 2021 and no meeting of Risk Management Committee took place during the Financial Year 2021-22.

## Report on Corporate Governance

for the year 2021-2022

### Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was initially constituted by the Board of Directors of the Company at their meeting held on December 13, 2014 pursuant to the requirement of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Board in its meeting held on 15th May, 2018 has approved the CSR Policy as formulated and recommended by CSR Committee in accordance with the requirements of the Companies Act, 2013 and rules made thereunder. The same was amended from time to time pursuant to the relevant amendments notified by the Ministry of Corporate Affairs.

The brief terms of reference of the committee are:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on the activities referred to in Schedule VII of the Companies Act, 2013;
- Monitor the Corporate Social Responsibility Policy of the company from time to time;
- To formulate and recommend to the Board an annual action plan in pursuance to the CSR Policy;
- To oversee that Company's CSR Implementing Agencies are registered with the Ministry of Corporate Affairs;
- To monitor all the compliances w.r.t CSR Spending, Transfer of unspent amount, setting off the excess amount spend, ongoing projects, etc.

The Corporate Social Responsibility Committee meetings were held on 20th July, 2021 and 31st March, 2022 during the Financial Year 2021-22.

The Composition of Corporate Social Responsibility Committee and the details of the meeting attended by the members are as follows:

Name of the Member	Category	Designation	No. of Committee Meetings attended (/) out of the total no. of meetings held
Mr. Mahabir Prasad Agarwal	Non- Executive, Non-Independent	Chairman	2/2
Mr. Brij Bhushan Agarwal	Executive	Member	2/2
Mr. Ajay Choudhury	Non-Executive, Independent	Member	2/2

The CSR Policy of the Company is available on the Company's website at:

[https://www.shyammetalics.com/wp-content/uploads/2021/08/SMEL\\_Policy-Doc\\_CSR-Policy.pdf](https://www.shyammetalics.com/wp-content/uploads/2021/08/SMEL_Policy-Doc_CSR-Policy.pdf)

### Other Committees of Board of Directors

The Company also have IPO Committee and Executive Committee. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

### General Body Meetings

Particulars of last three Annual General Meetings:

Financial Year	Venue	Date and time
2020-2021	Through Video Conference/Other Audio-Visual Means (OAVM)	18th September, 2021 at 2.00 P.M.
2019-2020	Trinity Tower, 7th Floor, 83, Topsia Road, Kolkata -700 046	31st December, 2020 at 4.00 P.M.
2018-2019	Trinity Tower, 7th Floor, 83, Topsia Road, Kolkata -700 046	29th September, 2019. at 4.00 P.M

## Report on Corporate Governance

for the year 2021-2022

Details regarding Special Resolutions passed during the previous three AGMs are given below:

Shareholders' Meeting	Special Business requiring Special Resolution
2020-21	Nil
2019-20	Nil
2018-19	Nil

### Extra-Ordinary General Meeting and Postal Ballot

During the F.Y. 2021-22, no extra-ordinary general meeting were held and no resolution were passed through Postal Ballot. No resolution requiring postal ballot is being proposed at the ensuing Annual General Meeting.

### Means of Communication

The quarterly, half-yearly and the annual financial results are published in the proforma prescribed under the SEBI (LODR) Regulations, in one English Newspaper (in Financial Express & Economic Times) having wide circulation and another in the vernacular language in Bengali (in Duronto Barta & Dainik Lipi). Moreover, the quarterly/annual results, earnings calls with analysts and investors and official news releases along with various other information, are generally sent to the Stock Exchanges, as well as hosted on Company's website i.e. [www.shyammetalics.com](http://www.shyammetalics.com)

### General shareholder information

Incorporation	The Company was incorporated in Calcutta, in the Province of West Bengal on December 10, 2002
Corporate Identification Number (CIN)	L40101WB2002PLC095491
Date, time and venue/mode of AGM	26th September, 2022 at 3.00 P.M. through Video Conferencing (VC) or Other Audio-Visual Means (OAVM)
Financial Year	1st April 2022 to 31st March 2023
1st quarter results by	2nd week of August, 2022
2nd quarter results by	2nd week of November, 2022
3rd quarter results by	2nd week of February, 2023
4th quarter results by	3rd / 4th Week of May, 2023
Date of Book Closure	20th September, 2022 to 26th September, 2022 (both days inclusive)

Dividend paid during the financial year:

SL. No.	F.Y.	Type of Dividend	Date of Payout	Dividend per Share (In ₹)
1.	2020-21	Final Dividend	07 <sup>th</sup> October, 2021	2.70/-
2.	2021-22	Interim Dividend	24 <sup>th</sup> November, 2021	2.25/-
3.	2021-22	Interim Dividend	04 <sup>th</sup> March, 2021	2.25/-
4.	2021-22	Final Dividend*	To be paid	2.70/-

\*Final dividend as recommended by Board of Directors on 18th May, 2022, subject to the approval of the Shareholders. Upon declaration at the ensuing Annual General Meeting, dividend shall be paid within statutory period of 30 days from the date of declaration.

## Report on Corporate Governance

for the year 2021-2022

### Listing on Stock Exchanges : Your Company's shares are listed on the following Stock Exchanges:

BSE Limited	National Stock Exchange of India Limited
25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Email: corp.relations@bseindia.com Website: www.bseindia.com Scrip code: 543299 ISIN: INE810G01011	Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai- 400051 Email: cmlist@nse.co.in Website: www.nseindia.com Scrip symbol: SHYAMMETL ISIN: INE810G01011

### Listing fees has been paid for the year 2022-23 of the respective Stock Exchanges.

#### High / Low share price data

The details of transactions in the Company's equity shares at the BSE Limited and National Stock Exchange of India Limited, during the financial year and the respective high / low price data are given below:

BSE Limited				National Stock Exchange of India Limited			
Month	High (in ₹)	Low (in ₹)	Volume (shares)	Month	High (in ₹)	Low (in ₹)	Volume (shares)
Apr 21'	-	-	-	Apr 21'	-	-	-
May 21'	-	-	-	May 21'	-	-	-
Jun 21'	405.90	360.95	3280643	Jun 21'	406.00	361.10	4405240
Jul 21'	461.15	368.30	5381357	Jul 21'	461.15	368.15	62044051
Aug 21'	442.50	361.25	1631348	Aug 21'	442.5	361.35	19389120
Sep 21'	417.70	362.00	1525382	Sep 21'	417.75	362.00	13803598
Oct 21'	382.95	333.05	1633283	Oct 21'	382.35	333.05	12016479
Nov 21'	376.20	299.25	989342	Nov 21'	373	302.05	8110507
Dec 21'	350.00	301.00	1091588	Dec 21'	350	300	9053502
Jan 22'	357.55	315.50	815806	Jan 22'	357.5	315.9	6316508
Feb 22'	357.70	288.85	695212	Feb 22'	357.8	289.15	5648116
Mar 22'	385.40	300.25	1516989	Mar 22'	385.5	300.25	10940918

\* The Company got listed on BSE Limited and National Stock Exchange of India Limited on 24th June, 2021.

<b>Registrar and Share Transfer Agent</b>	<b>In compliance with the SEBI directive, the Company has appointed KFin Technologies Ltd, as its Registrar and Share Transfer Agent having registered office at:</b>
	Selenium Tower 'B', Plot 31 & 32, Financial District, Nanakramguda, Hyderabad -500 032
	Email : einward.ris@kfintech.com
	Tel No. : +91 40 6716 2222 for all matters relating to shares, both in physical as well as in dematerialized mode.
	However, documents relating to shares are also received at the Company's Registered Office at Trinity Tower, 7th Floor, 83, Topsia Road, Kolkata-700046 Tel. No: +91 33 4016 4080, Fax No: (033) 4016 4025

#### Share Transfer System

As per Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended, Physical transfer of shares has been dispensed with and securities of listed companies can be transferred only in dematerialized form w.e.f. 1st April, 2019. Effective from 24th January, 2022, SEBI has mandated for Listed Companies to issue shares in demat form only, after processing the requests in prescribed Form ISR-4 received for issue of duplicate certificate, transmission, transposition,

## Report on Corporate Governance

for the year 2021-2022

renewal/ exchange of share certificate, endorsement, sub-division/ splitting of certificate, consolidation of certificates, claim from Unclaimed Suspense Account, etc. The RTA will after processing such requests issue a Letter of Confirmation to the concerned shareholder for submission to DP within 120 days from the date of issue of Letter of Confirmation for dematerialisation of shares. In case shareholder fails to submit the demat request within the aforesaid period, the RTA shall credit the shares to Suspense Escrow Demat Account of the Company.

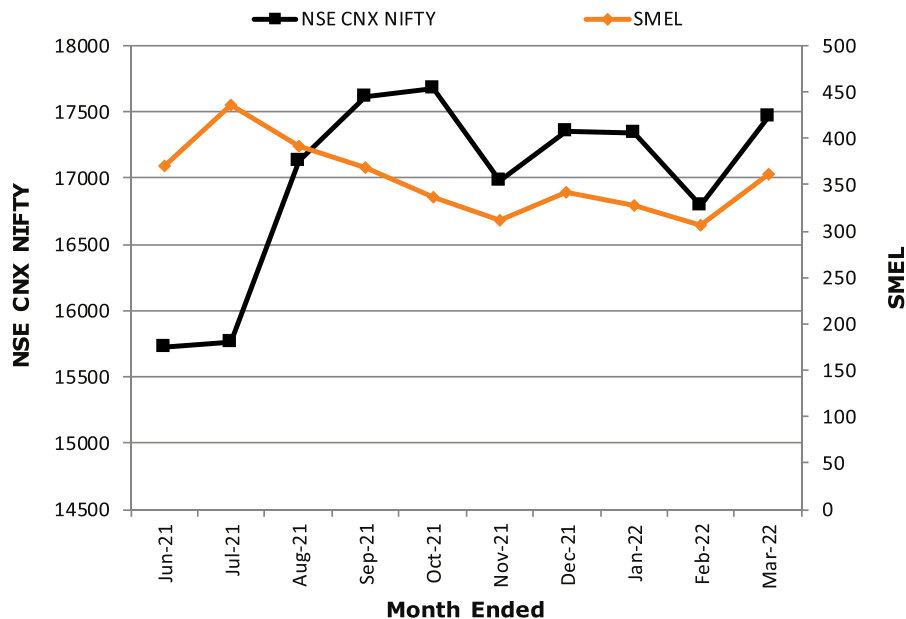
The Company, on receipt of proper documentation, registers transmission of its securities in the name of the nominee/ legal heir and issue certificates or receipts or advices, as applicable, of the same; or issue any valid objection or intimation to them, as the case may be, within a period of fifteen days from the date of receipt of request.

All communications regarding share certificates, change of address, dividends, etc. should be addressed to the RTA. Transfer of shares in electronic form were processed and approved by NSDL and CDSL through their Depository Participant without the involvement of the Company.

In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. However, investors are not barred from holding shares in physical form.

As required under Regulation 40(9) of the Listing Regulations, the Company had obtained for the year under review a certificate from a Company Secretary in Practice, confirming due compliance of share transfer formalities and also filed a copy of the said certificate with the stock exchanges.

### Shyam Metalics share price versus the NSE Nifty 50 index

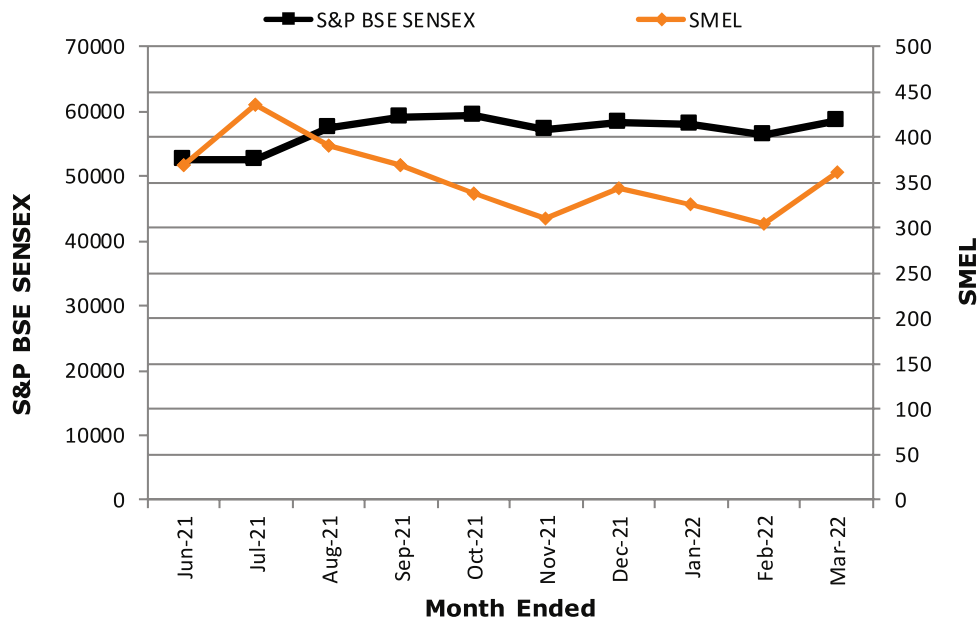




## Report on Corporate Governance

for the year 2021-2022

### Shyam Metals share price versus the BSE Sensex



### Distribution of shareholding as on 31st March, 2022

Sl. No.	Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Equity
1	1 - 5000	168795	99.80	13835151	5.42
2	5001 - 10000	166	0.10	1237449	0.49
3	10001 - 20000	72	0.04	1057657	0.41
4	20001 - 30000	25	0.01	619902	0.24
5	30001 - 40000	9	0.01	323400	0.13
6	40001 - 50000	14	0.01	636711	0.25
7	50001 - 60000	6	0.00	329289	0.13
8	60001 - 70000	5	0.00	325741	0.13
9	70001 - 80000	3	0.00	230000	0.09
10	80001 - 90000	1	0.00	83922	0.03
11	90001 - 100000	2	0.00	193866	0.08
12	100001 and above	31	0.02	236207600	92.60
<b>TOTAL:</b>		<b>169129</b>	<b>100.00</b>	<b>255080688</b>	<b>100.00</b>

### Commodity Price Risk or Foreign Exchange Risk and Hedging Activity

Since the Company does not have any commodity price risk exposure hedged through commodity derivatives, accordingly, other details as required under SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 are not applicable to the Company.

The company is exposed to risk the price fluctuation of raw materials as well as finished goods. The company manages its commodity price risk by maintaining adequate inventory of raw materials and finished goods considering future price movement. Accordingly, requirement of hedging is minimal. During the Financial Year ended on 31st March, 2022, the Company had managed the foreign exchange risk and hedged to the extent necessary. The company entered into forward contracts and

## Report on Corporate Governance

for the year 2021-2022

packing credit in foreign currency (PCFC) for hedging foreign exchange exposures against export / import.

Further details relating to risks and activities including financial risk management have been adequately disclosed in Note No. 43 to the Notes of the Standalone Financial Statements for the financial year ended March 31, 2022.

### Dematerialization of shares and liquidity

As on 31st March, 2022, 25,50,80,686 shares comprising of 100 % of the paid-up capital of the Company are in dematerialized mode. The promoters of the Company, holds around 88.35% of the Paid-up Capital of the Company, as on 31st March, 2022 and all shares are held in dematerialized mode except 2 (Two) Equity Shares.

Demat ISIN Number of Company's Equity Shares for NSDL and CDSL: INE810G01011

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and the likely impact on equity: None

### Plant Location:

<b>SHYAM METALICS AND ENERGY LIMITED</b>	
Sambalpur Village: Pandloi, PO: Lapanga, Dist: Sambalpur, Pin: 768212 (Odisha)	
Address for correspondence	Company Secretary & Compliance Officer Shyam Metals and Energy Limited "Trinity Tower" 83 Topsia Road, 7th Floor Kolkata-700046, India Tel: 033-4016 4080 • Fax: 033-4016 4025
E-mail ID for investors' grievance	compliance@shyamgroup.com

### Credit Rating

Date	Facility Type	Rating	Rating Agency
5th October, 2021	Long-term Bank Facilities	CARE AA-; Positive (Double A Minus; Reaffirmed, Outlook: Positive); Outlook revised from Stable	CARE Ratings Limited
	Short-term Bank Facilities	CARE A1+ (A One Plus) Reaffirmed	
	₹ 50 Crore Commercial Paper	CARE A1+ (A One Plus) Reaffirmed	
12th August, 2021	Long-term Rating	CRISIL AA-/Positive (Outlook revised from 'Stable'; Rating reaffirmed)	CRISIL Ratings Limited
	Short-term Rating	CRISIL A1+ (Reaffirmed)	
	₹ 50 Crore Commercial Paper	CRISIL A1+ (Reaffirmed)	

List of all credit ratings obtained by the entity along with any revisions thereto, during the relevant financial year are disclosed on the website of the Company.

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 as on 31.03.2022 is attached to this report

The Board has accepted all the recommendations of its Committees, during the year under review.

Disclosure with respect to Demat Suspense Account/Unclaimed Suspense Account: Not applicable as no shares are lying in Suspense Account.

### OTHER DISCLOSURES

There were no materially significant related party transactions made by the Company with its Promoters, Directors or the management and its subsidiaries or relatives, among others, that may have potential conflict with the interests of the Company

## Report on Corporate Governance

for the year 2021-2022

at large and are carried at arm's length basis or fair value. The Register of Contracts containing the transactions in which the Directors are interested, is placed before the Board regularly for its approval. As required under the Listing Regulations, the Company has formulated a policy on dealing with related party transaction and the same is available on the website of the Company i.e. [www.shyammetals.com](http://www.shyammetals.com).

Disclosures of transactions of Shyam Metals and Energy Limited with any person or entity belonging to the promoter/promoter group, which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results.

Name of Person or Entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding	Percentage Share-holding as on 31st March, 2022	Type of Transaction During the Year	Amount of Transaction During the Year (₹ in Cr)
Narantak Dealcomm Limited	19.95 %	Loans, Advances and Dividend	121.65
Subham Capital Private Limited	15.99 %	Dividend	29.37
Subham Buildwell Private Limited	27.65 %	Dividend	50.79

Related party transactions are in the ordinary course of business and are reported to the Audit Committee. Such transactions are disclosed in note no. 46 of Notes on Financial Statements in the Annual Report.

The Equity Shares of the company got listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on 24th June, 2021. The due date for submission of financial results for the quarter and year ended 31st March, 2021 was 30th May, 2021, but SEBI has extended the due date for submission of financial results for the quarter and year ended 31st March, 2021 till 30th June, 2021. However, the Company had complied with Regulation 33 of SEBI (LODR) Regulation, 2015 on 8th July, 2021 with a delay of 8 days. Show cause notice for this has been issued by NSE and BSE. Further, the penalty of ₹ 47,200/- and ₹ 47,200/- (inclusive of GST) has been levied by NSE and BSE respectively. The Company has subsequently paid the fines on 11th March, 2022 levied by both the Stock Exchanges. Apart from this there were no restriction or penalties imposed on the Company by either the Securities and Exchange Board of India (SEBI) or the Stock Exchanges, or any other statutory authority for non-compliance of any matter related to the capital market.

The Company has established a mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Code. It also provides for adequate safeguards against the victimization of employees who avail the mechanism, and allows direct access to the chairperson of the audit committee in exceptional cases. During the year, no person was denied access to the audit committee. The Whistleblower Policy is available on our website, at [www.shyammetals.com](http://www.shyammetals.com).

The Company conducts periodic reviews and reporting to the Board of Directors regarding risk assessment by senior executives with a view to minimize the risk.

Policy for Determination of Material subsidiary is available on the website of the Company at the weblink :

[https://www.shyammetals.com/wp-content/uploads/2021/08/SMEL\\_Policy-Doc\\_Determining-Material-Subsidiary.pdf](https://www.shyammetals.com/wp-content/uploads/2021/08/SMEL_Policy-Doc_Determining-Material-Subsidiary.pdf)

Policy on dealing with Related Party Transactions is also available on the website of the Company at the weblink :

[https://www.shyammetals.com/wp-content/uploads/2021/08/SMEL\\_Policy-Doc\\_Related-Party-Transactions.pdf](https://www.shyammetals.com/wp-content/uploads/2021/08/SMEL_Policy-Doc_Related-Party-Transactions.pdf)

During the financial year 2021-22, the Company bought in Initial Public Offer and successfully got listed its equity shares on BSE Ltd and National Stock Exchange of India Ltd on 24th June, 2021.

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/ network entity of which the statutory auditor is a part of the consolidated Financial Statements. M/s. S K Agarwal and Co Chartered Accountants LLP were the Statutory Auditors of the Company & the Subsidiary Company (Shyam Sel and Power Limited) and were paid consolidated fees of ₹ 49,00,000/- during the financial year 2021-22.

The Financial Statements for 2021-22 were prepared in accordance with the applicable Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013.

## Report on Corporate Governance

for the year 2021-2022

There were no instances where recommendations of any of the Committee constituted by the Board were not accepted by the Board of Directors.

Disclosure by the Company and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount as mentioned below:

Name of the Firms/Companies	Amount (₹ in Crores)
Hrashva Storage & Warehousing Pvt. Ltd.	14.25
Shree Sikhar Iron & Steel Pvt. Ltd.	6.33
Platinum minmet Pvt. Ltd.	32.90
Meadow Housing Pvt. Ltd.	0.75
Shree Venkateshwara Electrocast Pvt. Ltd.	43.58
Shyam Energy Limited	0.13
Whispering Developers Pvt. Ltd.	0.50
Dorite Tracom Pvt. Ltd.	26.43
Kalpataru House Fin & Trading Pvt. Ltd.	0.11
Narantak Dealcomm Limited	183.78
Shyam Ferro Alloys Limited	50.14
Subham Buildwell Private Limited	35.83
Subham Capital Private Limited	52.29
Toplight Merchantile Pvt. Ltd.	13.84

The Vice Chairman and Managing Director and the Chief Financial Officer of the Company have certified to the Board in accordance with SEBI (Listing Obligations & Disclosures Requirement) Regulations, 2015 pertaining to CEO/CFO certification for the financial year ended 31st March, 2022. Such certificate is enclosed to this report as **Annexure-A**.

Two sets of Codes - Code of Practice and procedures for fair Disclosure of Unpublished Price Sensitive Information & Code of Conduct to regulate, monitor and report trading by insiders/ designated persons have been adopted by the Board, in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Company has complied with all applicable mandatory requirements of the Listing Regulations during the financial year 2021-22. Quarterly compliance report on Corporate Governance, in the prescribed format, duly signed by the compliance officer is submitted regularly with the Stock Exchanges where the shares of the Company are listed.

The Company has received declaration from all the Directors on the Board of the Company that they are not debarred or disqualified from being appointed or continuing as directors of companies by SEBI/MCA or any other such statutory authority. A certificate received from a company secretary in practice in this regard forms part of this report as **Annexure-C**.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- number of complaints filed during the financial year – Nil
- number of complaints disposed of during the financial year - Nil
- number of complaints pending as on end of the financial year – Nil

Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity: None

The quarterly compliance report has been submitted to the stock exchanges where the Company's equity shares are listed in the prescribed format as per SEBI Listing Regulations, 2015, duly signed by the company secretary.

## Report on Corporate Governance

for the year 2021-2022

### DISCRETIONARY REQUIREMENTS

The Company has complied with the requirement specified in Part E of Schedule II as mentioned below:

#### The Board

A non-executive chairperson may be entitled to maintain a chairperson's office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of his duties :

**The same is duly complied as the Chairperson is maintaining his office on Company's expense & also been allowed reimbursement of expenses incurred in performance of his duties.**

#### Shareholder Rights

A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders :

**Due to prevailing Covid situation, Company is avoiding sending any physical documents to the household of the Shareholders as precautionary measure.**

#### Modified opinion(s) in audit report

The listed entity may move towards a regime of financial statements with unmodified audit opinion :

**The same is duly complied as the Company has received Audit Report with unmodified opinion.**

#### Reporting of internal auditor

The internal auditor may report directly to the audit committee:

**The same is also complied with as the Internal Auditor reports directly to the Audit Committee.**

**The Company has complied with all the requirements specified under regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 and the same is certified by M/s. KPA & Co. LLP (Practicing Company Secretary), which is forming part of this Report as Annexure-B.**

#### Code of Conduct

The Code of Conduct (hereinafter referred to as 'Code') is applicable to all its Board Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel had affirmed compliance with the Code during the year and no violation of the same was reported. A declaration to the effect that all Board Members and Senior Management Personnel have complied with the Code during the financial year 2021-2022, duly signed by the Vice Chairman and Managing Director of the Company is herein below enclosed. The Code has also been posted on the Company's website.

#### **Affirmation of Compliance with the Code of Conduct for Board Members and Senior Management Personnel.**

I, Brij Bhushan Agarwal, Vice Chairman and Managing Director of 'Shyam Metalics and Energy Limited', hereby declare that the Company has received affirmation of compliance with the 'Code of Conduct for Board members and Senior Management Personnel' laid down by the Board of Directors, from all the Directors and Senior Management Personnel of the Company, to whom the same is applicable in terms of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, for the financial year ended 31st March, 2022.

Place : Kolkata  
Dated: 18.05.2022

**Brij Bhushan Agarwal**  
Vice Chairman and Managing Director  
(DIN: 01125056)



# Report on Corporate Governance

for the year 2021-2022

**Annexure - A**

## CERTIFICATION BY

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

To  
The Board of Directors  
**Shyam Metalics and Energy Limited**

**Dated : 18.05.2022**

We, Brij Bhushan Agarwal, Vice Chairman and Managing Director and Shree Kumar Dujari, Chief Financial Officer of 'Shyam Metalics and Energy Limited', certify that:

1. We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended March 31, 2022 and to the best of our knowledge and belief, we state that:
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - b) These statements together present a true and fair value of the Company's affair and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended, 31st March, 2022, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditor and the audit committee, deficiencies in the design or operations of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take for rectifying these deficiencies.
4. We have indicated to the auditors:
  - i. Significant changes in internal control over financial reporting during the year under reference.
  - ii. There have not been any Significant changes in accounting policies during the year requiring disclosure in the notes to the financial statement; and
  - iii. We are not aware of any instances, during the year, of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over the financial reporting.

**Shree Kumar Dujari**  
Chief Financial Officer (CFO)

**Brij Bhushan Agarwal**  
Vice Chairman and Managing Director

## Report on Corporate Governance

for the year 2021-2022

### **Annexure - B**

#### **CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,  
The Members of  
**Shyam Metals and Energy Limited**  
"Trinity Tower", 83, Topsia Road  
7th Floor, Kolkata - 700046

We have examined the relevant documents and records maintained by Shyam Metals and Energy Limited (hereinafter referred as 'the Company') having CIN: L40101WB2002PLC095491, for certifying the compliance of conditions of Corporate Governance for the year ended on 31st March, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. 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, representation made by the Directors and the Management. We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations, to the extent applicable to it for the year ended on 31st March, 2022.

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

**(Preeti Agarwal)**

Partner

**KPA & Co. LLP**

Company Secretaries

FRN: P2019WB078600

Peer Review No: 1363/2021

FCS NO: 10297

CP NO: 22698

UDIN: F010297D000339428

Place: Kolkata

Date: 18th May, 2022

## Report on Corporate Governance

for the year 2021-2022

### Annexure - C

#### 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] as amended

To,  
The Members  
**Shyam Metalics and Energy Limited**  
"Trinity Tower" 83, Topsia Road,  
7th Floor, Kolkata - 700046

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Shyam Metalics and Energy Limited (CIN: L40101WB2002PLC095491) and having registered office at "Trinity Tower" 83, Topsia Road, 7th Floor, Kolkata - 700046 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its Officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Mahabir Prasad Agarwal	00235780	06/04/2018
2.	Mr. Brij Bhushan Agarwal	01125056	11/12/2002
3.	Mr. Sanjay Kumar Agarwal	00232938	11/12/2002
4.	Mr. Deepak Kumar Agarwal	00560010	14/07/2014
5.	Mr. Dev Kumar Tiwari	02432511	10/04/2009
6.	Mr. Bhagwan Shaw	03419298	07/03/2013
7.	Mr. Ashok Kumar Jaiswal	00545574	16/01/2018
8.	Mr. Ajay Choudhury	00040825	06/04/2018
9.	Mr. Yudhvir Singh Jain	06507365	16/01/2018
10.	Mr. Venkata Krishna Nageswara Rao Majji	07035891	13/12/2014
11.	Mr. Kishan Gopal Baldwa	01122052	15/05/2018
12.	Ms. Rajni Mishra	07706571	12/02/2021

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

(Preeti Agarwal)

Partner

KPA & Co. LLP

Company Secretaries

FRN: P2019WB078600

Peer Review No: 1363/2021

FCS NO: 10297

CP NO: 22698

UDIN: F010297D000339230

Place: Kolkata

Date: 18th May, 2022



**Financial Section**



## Independent Auditor's Report

To the members of **Shyam Metals and Energy Limited**

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **SHYAM METALICS AND ENERGY LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended (the "Act") 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, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Emphasis of Matter

We draw attention to Note 45 to the standalone financial statements regarding the impact of COVID-19 on the financial statements. The Company has not considered the possible effects that may result from the pandemic relating to COVID-19 as same is not material. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information and economic forecasts. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Our opinion is not modified in respect of this matter.

#### Key Audit Matters

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



## Independent Auditor's Report

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matter	How our audit addressed the key audit matter
<b>Revenue from Sale of Goods [Refer to Note 29 to the standalone financial statements]</b>	
<p>The Company recognizes revenues when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. In determining the sales price, the Company considers the effects of rebates and discounts (variable consideration). The terms of arrangements in case of domestic and exports sales, including the timing of transfer of control, the nature of discount and rebates arrangements, delivery specifications including incoterms, create complexity and judgment in determining sales revenues. The risk is, therefore, that revenue is not recognized in accordance with terms of Ind AS 115 'Revenue from contracts with customers', and accordingly, it was determined to be a key audit matter in our audit of the standalone financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Considered the adequacy of the Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'.</li> <li>• Assessed the design and tested the operating effectiveness of internal financial controls related to revenue recognition.</li> <li>• Performed sample tests of individual sales transaction and traced to sales invoices and other related documents. In respect of the samples selected, tested that the revenue has been recognized in accordance with Ind AS 115.</li> <li>• Selected sample of sales transactions made pre and post-year end, agreed the period of revenue recognition to underlying documents.</li> <li>• Selected samples of rebates and discounts during the year, compared them with the supporting documents and performed re-calculation of those variable considerations as per scheme documents.</li> <li>• Assessed the relevant disclosures made in the standalone financial statements.</li> </ul>
<b>The Company's Exposure to Litigations Risk and related disclosure of Contingent Liabilities [Refer to Note 40 (b) to the standalone financial statements]</b>	
<p>As at March 31, 2022, the Company has exposures towards litigations relating to different laws, regulations and interpretations. Significant management judgement is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognised or a disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate. As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, related legal advice including those relating to interpretation of laws / regulations, it is considered to be a Key Audit Matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Understood the process followed by the Company for assessment of litigations and determination of Contingent Liabilities relating to relevant laws and regulations.</li> <li>• Inquired with the management for recent developments and the status of the material litigations which were reviewed and noted.</li> <li>• Examined the assumptions used in estimation of the tax provision and the possible outcome of the disputes underlying calculations supporting the contingent liabilities/other significant litigations disclosed in the standalone financial statements.</li> <li>• Evaluated management's assessments and position by understanding precedents set in similar cases and assessed the reliability of the management's past estimates/judgements.</li> <li>• Assessed the adequacy of the Company's disclosures in the standalone financial statements.</li> </ul> <p>Based on the above work performed, the assessment in respect of litigations and related disclosures relating to contingent liabilities/other significant litigations in the Standalone Financial Statements is considered to be reasonable.</p>

## Independent Auditor's Report

### Information other than the Standalone Financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for

## Independent Auditor's Report

one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2) 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 it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

## Independent Auditor's Report

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- (g) In our opinion and to the best of our information and in accordance to the explanations given to us, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with the Schedule V to the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 40 (b) to the standalone financial statements;
  - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contract – Refer Note 55 to the standalone financial statements;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company – Refer Note 57 to the standalone financial statements.
  - (iv) (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 person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Company ["Ultimate Beneficiary(ies)"] or provide any guarantee, security or the like on behalf of the Ultimate Beneficiary(ies);  
  
(B) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entity ["Funding Parties"], with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party(ies) ["Ultimate Beneficiary(ies)"] or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
(C) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations set out in sub-clause (A) and (B) above, contain any material misstatement.
- (v) As stated in Note 17 to the standalone financial statements:
  - (A) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

## Independent Auditor's Report

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

For **S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP**

Chartered Accountants

Firm Registration No. – 306033E/E300272

**Vivek Agarwal**

Partner

Membership No: 301571

UDIN:22301571AJFCQP3574

Place: Kolkata

Date: 18<sup>th</sup> day of May, 2022



## Annexure 'A'

to the Independent Auditor's Report

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Shyam Metalics and Energy Limited of even date)**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) All property, plant and equipment were physically verified by the management in accordance with a planned programme of verifying them over a period of three years which is reasonable having regard to the size of the company and the nature of its assets.
- (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in Note 2 to the standalone financial statements are held in the name of the company except for the following:

Description of Properties	Gross Carrying Value (₹ in Crores)	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative/ employee of promoter or director	Property held (Years in Range)	Reason for not being held in the name of the Company
Freehold Land	1.01	Shyam DRI and Power Limited	No	2003-2009	The Company is in process of getting perfection to the title due to change in the name of the company.

- (d) According to the information and explanation provided to us, the Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year ended March 31, 2022.
- (e) According to the information and explanation provided to us, there are no proceedings initiated or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) As per our examination and the information provided to us, the physical verification of inventory (excluding stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedures of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not in excess of 10% or more in aggregate for each class of inventory.
- (b) As disclosed in Note 24 to the standalone financial statements, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks and/or financial institutions against security of its current assets. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company other than those as set out below:

Particulars	Period	Amount as per Financials (₹ in Crores)	Amount as per statement filed with Bankers (₹ in Crores)	Difference (₹ in Crores)
Eligible Trade Receivables & Inventory	30.06.21	706.03	708.53	(2.50)
	30.09.21	763.27	758.23	5.04
	31.12.21	857.43	835.02	22.41
	31.03.22	1110.12	1100.86	9.26

\* Statements are being filed with bankers on the basis of provisional figures since the final figures are made available at a later date. The Company has not claimed Drawing Power (DP) on certain assets. DP is calculated as per norms of lenders.

## Annexure 'A'

to the Independent Auditor's Report

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not provided any security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The company has made investment in companies, granted secured and unsecured loans and provided guarantee to companies and other parties, in respect of which the requisite information is as below:

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the company has provided loans to any other entity as below:

Particulars	Loans (₹ in Crores)	Guarantee (₹ in Crores)
<b>Aggregate amount granted/provided during the year:</b>		
Subsidiary	256.00	-
Associate	-	-
Joint Venture	-	0.65
Others	9.31	-
<b>Balance Outstanding as at Balance Sheet date:</b>		
Subsidiary	-	-
Associate	-	-
Joint Venture	-	0.65
Others	0.02	-

(b) According to the information and explanations given to us, in our opinion the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the company, there is no overdue amount for more than ninety days remaining outstanding as at the balance sheet date.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the company, there is no loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits with the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to extent applicable. Therefore, the requirement to report on clause 3(v) of the Order is not applicable and hence not commented upon.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

## Annexure 'A'

to the Independent Auditor's Report

- (vii) (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities during the year though there have been a slight delay in a few cases.

According to the information and explanations given to us and based on audit procedures performed by us, there were no undisputed amounts payable in respect of applicable statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, details of dues which have not been deposited as on 31st March 2022 on account of dispute are given below:

Name of Statute	Nature of Dues	Amount paid (₹ in Crores)	Amount (Net of payments) (₹ in Crores)	Financial Year to which the matter pertains	Forum Where Matter is pending
The Customs Act, 1962	Customs Duty	0.13	1.60	2011-12	CESTAT
		0.01	0.21	2012-13	
		-	11.44	2012-13	Adjudication
The Finance Act, 1994	Service Tax	0.00	0.03	2013-14	CESTAT
		-	0.09	2014-15	
		0.00	0.03	2015-16	
		-	0.06	2013-14	
The Central Excise Act, 1994	Excise Duty	-	0.12	2014-15	Adjudication
		-	0.27	2014-15	
		-	0.12	2005-06	
		-	0.89	2006-07	
		-	2.27	2007-08	
		-	0.44	2008-09	
		-	0.10	2009-10	
-	4.58	2014-15			
-	0.13	2015-16			
-	0.24	2016-17			

**\*0.00 represents figures less than ₹ 1 Lakh.**

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of loans or other borrowings on in the payment of interest thereon to any lender. Therefore, the requirement to report on clause 3(ix)(a) of the Order is not applicable and hence not commented upon.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not been declared willful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

## Annexure 'A'

to the Independent Auditor's Report

- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and the procedures performed by us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.
- (x) (a) According to the information and explanations given to us and our examination thereof, the moneys raised by the company by way of initial public offer during the year have been applied for the purposes for which those are raised as disclosed in Note 17 to the standalone financial statements.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally). Therefore, the requirement to report on clause 3(x)(b) of the Order is not applicable and hence not commented upon.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, considering the principles of materiality as outlined in the Standards on Auditing, and according to the information and explanation provided to us, we have neither come across any instance of material fraud by the company or on company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation provided to us, there is no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report. Therefore, the requirement to report on clause 3(xi)(c) of the Order is not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a Nidhi Company as per provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) and 3(xii)(b) of the Order are not applicable and hence not commented upon.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors. Therefore, the requirement to report on clause 3(xv) of the Order is not applicable and hence not commented upon.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid 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 (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

## Annexure 'A'

to the Independent Auditor's Report

- (d) According to the information and explanations provided to us during the course of audit, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) According to the information and explanations provided to us, the Company has not incurred cash losses in the current and in the immediately preceding financial year. Therefore, the requirement to report on clause 3(xvii) of the Order is not applicable and hence not commented upon.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the requirement to report on clause 3(xviii) of the Order is not applicable to the Company and hence not commented upon.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios disclosed in Note 53 to the standalone financials statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) According to the information and explanations provided to us, there are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the Companies Act, 2013. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable and hence not commented upon.
- (b) According to the information and explanations provided to us, the Company has transferred unspent amount pursuant to ongoing project to the account of implementing agency within a period of 30 days from the end of the said financial year in accordance of provision of sub section (6) of section 135 of the Companies Act, 2013 as disclosed in Note 51 to the standalone financial statements.

For **S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP**

Chartered Accountants

Firm Registration No. – 306033E/E300272

**Vivek Agarwal**

Partner

Membership No: 301571

UDIN: 22301571AJFCQP3574

Place: Kolkata

Date: 18<sup>th</sup> day of May, 2022



## Annexure 'B'

to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Shyam Metals and Energy Limited of even date)

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

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

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

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

#### **Auditor's Responsibility**

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

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the standalone 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 standalone financial statements.

## Annexure 'B'

to the Independent Auditor's Report

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting 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 ICAI.

For **S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP**

Chartered Accountants

Firm Registration No. – 306033E/E300272

**Vivek Agarwal**

Partner

Membership No: 301571

UDIN: 22301571AJFCQP3574

Place: Kolkata

Date: 18<sup>th</sup> day of May, 2022

## Standalone Balance Sheet

as at 31st March, 2022

(₹ in Crores)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
a) Property, plant and equipment	2	936.96	785.82
b) Right-of-use assets	2A	21.88	22.25
c) Capital work-in-progress	3	436.85	230.22
d) Intangible assets	4	3.64	0.16
e) Investments in subsidiaries, associates and joint ventures	5	923.20	933.91
f) Financial assets			
i) Investments	5A	338.42	44.90
ii) Other financial assets	6	18.61	28.93
g) Deferred tax assets (net)	22	-	46.07
h) Other non-current assets	7	44.38	44.98
<b>Total Non Current Assets (A)</b>		<b>2,723.94</b>	<b>2,137.24</b>
<b>Current Assets</b>			
a) Inventories	8	1,006.24	530.96
b) Financial assets			
i) Investments	9	355.06	9.81
ii) Trade receivables	10	103.88	298.61
iii) Cash and cash equivalents	11	42.77	22.35
iv) Bank balances other than (iii) above	12	110.49	42.97
v) Loans	13	0.15	9.28
vi) Other financial assets	14	17.62	10.52
c) Current tax assets (net)	15	14.93	1.46
d) Other current assets	16	423.14	210.74
<b>Total Current Assets (B)</b>		<b>2,074.28</b>	<b>1,136.70</b>
<b>Total Assets (A + B)</b>		<b>4,798.22</b>	<b>3,273.94</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	17	255.08	233.61
b) Other equity	18	3,395.10	2,123.56
<b>Total Equity (A)</b>		<b>3,650.18</b>	<b>2,357.17</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
a) Financial liabilities			
i) Borrowings	19	0.54	0.77
ii) Lease Liabilities	19A	3.19	3.23
iii) Other financial liabilities	20	11.56	8.87
b) Provisions	21	6.84	5.37
c) Deferred tax liabilities (net)	22	71.24	-
c) Other non-current liabilities	23	170.66	202.63
<b>Total Non Current Liabilities (B)</b>		<b>264.03</b>	<b>220.87</b>
<b>Current Liabilities</b>			
a) Financial liabilities			
i) Borrowings	24	178.06	315.49
ii) Lease liabilities	19A	0.67	0.58
iii) Trade payables	25		
Total outstanding due of micro enterprise and small enterprise		2.63	2.07
Total outstanding due to creditors other than micro enterprise and small enterprise		518.72	157.32
iv) Other financial liabilities	26	36.17	12.52
b) Other current liabilities	27	118.46	178.93
c) Provisions	28	29.30	28.99
<b>Total Current Liabilities (C)</b>		<b>884.01</b>	<b>695.90</b>
<b>Total Equity and Liabilities (A + B + C)</b>		<b>4,798.22</b>	<b>3,273.94</b>

Significant Accounting Policies

Notes forming part of the financial statements

As per our report of even date attached

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm Registration Number: 306033E / E300272

**Vivek Agarwal**

Partner

Membership No: 301571

Place: Kolkata

Date: The 18th Day of May, 2022

1(A)

1 to 60

For and on behalf of the Board of Directors

**Brij Bhushan Agarwal**

Vice Chairman and Managing Director

DIN 01125056

**Shree Kumar Dujari**

Chief Financial Officer

**Sanjay Kumar Agarwal**

Joint Managing Director

DIN 00232938

**Birendra Kumar Jain**

Company Secretary

MRN A8305

## Standalone Statement of Profit and Loss

for the period ended 31st March, 2022

(₹ in Crores)

Particulars	Note No.	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>INCOME</b>			
I Revenue from operations	29	4,658.41	3,023.74
II Other income	30	95.17	50.22
<b>III Total Income (I+II)</b>		<b>4,753.58</b>	<b>3,073.96</b>
<b>IV EXPENSES</b>			
Cost of materials consumed	31	2,934.26	1,804.71
Purchases of stock-in-trade		2.10	27.02
Changes in inventories of finished goods, stock-in-trade and work-in-progress	32	(104.07)	38.41
Employee benefits expense	33	127.83	101.89
Finance costs	34	8.96	38.72
Depreciation and amortisation expense	35	119.61	149.66
Other expenses	36	552.62	384.08
<b>Total Expenses (IV)</b>		<b>3,641.31</b>	<b>2,544.49</b>
<b>V Profit before tax (III-IV)</b>		<b>1,112.27</b>	<b>529.47</b>
<b>VI Tax expense:</b>	37		
(i) Current tax		197.21	115.82
Add: MAT Credit Utilized		100.79	-
(ii) Deferred tax		4.00	(25.25)
<b>VII Profit for the year (V-VI)</b>		<b>810.27</b>	<b>438.90</b>
<b>VIII Other comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(0.27)	0.35
Equity instruments at fair value through other comprehensive income		53.61	4.27
(ii) Income tax relating to items that will not be reclassified to profit or loss		(12.51)	(1.12)
<b>Total other comprehensive income, net of taxes</b>		<b>40.83</b>	<b>3.50</b>
<b>IX Total comprehensive income for the year (VII+VIII)</b>		<b>851.10</b>	<b>442.40</b>
<b>X Earnings per equity share (Face value of ₹ 10 each)</b>			
<b>XI Earnings per Share</b>	38		
<b>Basic(₹)</b>		<b>32.38</b>	<b>18.79</b>
<b>Diluted(₹)</b>		<b>32.38</b>	<b>18.79</b>

Significant Accounting Policies

Notes forming part of the financial statements

As per our report of even date attached

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm Registration Number: 306033E / E300272

**Vivek Agarwal**

Partner

Membership No: 301571

Place: Kolkata

Date : The 18th Day of May, 2022

1(A)

1 to 60

For and on behalf of the Board of Directors

**Brij Bhushan Agarwal**

Vice Chairman and Managing Director

DIN 01125056

**Shree Kumar Dujari**

Chief Financial Officer

**Sanjay Kumar Agarwal**

Joint Managing Director

DIN 00232938

**Birendra Kumar Jain**

Company Secretary

MRN A8305

## Standalone Cash flow Statement

for the period ended 31st March, 2022

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>A. Cash flow from operating activities:</b>		
Profit/(loss) before tax	1,112.27	529.47
<b>Adjustments for :</b>		
Depreciation	119.61	149.66
Irrecoverable Debts, Claims and Advances Written Off	(11.57)	7.48
Dividend Received	(61.78)	(44.13)
Unrealised Foreign Exchange Fluctuations	1.57	(5.69)
Gain on fair value of mutual fund and Bonds	(7.80)	(1.07)
Provision for Expected Credit Loss	0.16	(2.59)
Provision for Gratuity	1.26	1.17
Profit on Sale of Investments	(8.28)	-
Interest Income	(16.36)	(4.03)
Payment of Principal portion of Lease Liability	0.40	0.51
Payment of Interest Portion of Lease Liability	1.09	0.37
Interest & Finance charges	8.96	38.72
<b>Operating profit before working capital changes</b>	<b>1,139.53</b>	<b>669.87</b>
<b>Adjustments for :</b>		
Increase/(Decrease) in Trade and other payables	294.12	(95.09)
Decrease / (Increase) in Trade Receivable	206.18	(222.58)
Decrease / (Increase) in Inventories	(475.28)	244.69
Decrease / (Increase) in other assets	(272.54)	88.05
<b>Cash flow from operating activities before taxes</b>	<b>892.01</b>	<b>684.94</b>
Direct Taxes Paid (net)	(210.68)	(85.57)
<b>Net cash flow from operating activities (A)</b>	<b>681.33</b>	<b>599.37</b>
<b>B. Cash flow from investing activities:</b>		
Purchase of Property Plant & Equipment (Net)	(479.95)	(174.13)
(Increase)/ Decrease in Investment (Net)	(558.37)	6.10
Dividend Received	61.78	44.13
Loans Refunded/ (Given)	9.13	7.28
Interest Received	12.25	2.57
<b>Net cash from investing activities (B)</b>	<b>(955.16)</b>	<b>(114.05)</b>
<b>C. Cash flow from financing activities:</b>		
Repayment of Lease Liabilities	(1.44)	(0.66)
Proceeds from issue of share capital	625.58	-
Dividend Paid	(183.66)	(43.22)
Repayments/Proceeds from Borrowing (Net) & Current Maturities	(137.65)	(380.92)
Interest paid	(8.58)	(41.45)
<b>Net cash from financing activities (C)</b>	<b>294.25</b>	<b>(466.25)</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>20.42</b>	<b>19.07</b>
Add: cash and cash equivalents at the beginning of the year	22.35	3.28
<b>Cash and cash equivalents at the end of the year</b>	<b>42.77</b>	<b>22.35</b>

Notes forming part of the financial statements

1 to 60



## Standalone Cash flow Statement

for the period ended 31st March, 2022

### Notes to the cash flow statement

- The above statement of cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flow".
- Cash and cash equivalent comprises of: (₹ in Crores)

Particulars	31st March 2022	31st March 2021
Balance with banks - in current account	25.88	16.96
Fixed Deposits with maturity less than 3 months	16.78	5.23
Unpaid Dividend Account with Bank	0.04	-
Cash on hand	0.07	0.16
<b>Total</b>	<b>42.77</b>	<b>22.35</b>

As per our report of even date attached

**For S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number: 306033E / E300272

**Vivek Agarwal**

Partner

Membership No: 301571

Place: Kolkata

Date : The 18th Day of May, 2022

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

**Brij Bhushan Agarwal**

Vice Chairman and Managing Director

DIN 01125056

**Shree Kumar Dujari**

Chief Financial Officer

**Sanjay Kumar Agarwal**

Joint Managing Director

DIN 00232938

**Birendra Kumar Jain**

Company Secretary

MRN A8305

## Standalone Statement of Changes in Equity

for the period ended 31st March, 2022

(₹ in Crores)

Particulars	Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
<b>For the year ended March 31, 2022</b>	233.61	21.47	255.08
For the year ended March 31, 2021	233.61	-	233.61

Particulars	Reserves and Surplus				Equity instruments through other comprehensive income	Remeasurement of the net defined benefit plans	Total equity attributable to equity shareholders of the company
	Securities Premium	Retained Earnings	Capital Reserve	Other Reserve			
<b>Balance at 1st April, 2021</b>	178.15	1,842.07	72.18	1.10	30.06	-	2,123.56
Profit for the year	-	810.27	-	-	-	-	810.27
Profit / (Loss) on sale of Investment	-	-	-	-	(0.28)	-	(0.28)
Dividend Paid	-	(183.66)	-	-	-	-	(183.66)
Income tax effect	-	-	-	-	(12.61)	0.10	(12.51)
Other comprehensive income	-	-	-	-	53.89	(0.27)	53.61
Securities Premium Received	604.11	-	-	-	-	-	604.11
Transfer to Retained Earnings	-	(0.17)	-	-	-	0.17	-
<b>Balance at 31st March, 2022</b>	<b>782.26</b>	<b>2,468.51</b>	<b>72.18</b>	<b>1.10</b>	<b>71.06</b>	<b>-</b>	<b>3,395.10</b>
Balance at 1st April, 2020	178.15	1,446.16	72.18	1.10	26.75	-	1,724.34
Profit for the year	-	438.90	-	-	-	-	438.90
Profit / (Loss) on sale of Investment	-	-	-	-	0.03	-	0.03
Dividend Paid	-	(43.22)	-	-	-	-	(43.22)
Income tax effect	-	-	-	-	(0.99)	(0.12)	(1.11)
Other comprehensive income	-	-	-	-	4.27	0.35	4.62
Transfer to Retained Earnings	-	0.23	-	-	-	(0.23)	-
<b>Balance at 31st March, 2021</b>	<b>178.15</b>	<b>1,842.07</b>	<b>72.18</b>	<b>1.10</b>	<b>30.06</b>	<b>-</b>	<b>2,123.56</b>

### Notes forming part of the financial statements

As per our report of even date attached

**For S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number: 306033E / E300272

#### Vivek Agarwal

Partner

Membership No: 301571

Place: Kolkata

Date: The 18th Day of May, 2022

1 to 60

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

#### Brij Bhushan Agarwal

Vice Chairman and Managing Director

DIN 01125056

#### Shree Kumar Dujari

Chief Financial Officer

#### Sanjay Kumar Agarwal

Joint Managing Director

DIN 00232938

#### Birendra Kumar Jain

Company Secretary

MRN A8305

## Significant accounting policies

for the period ended 31st March, 2022

### 1. Company Overview

Shyam Metallics and Energy Limited ('the company') is a public limited company incorporated in India in 2002 under the Companies Act, 1956. The registered office of the Company is at Trinity Tower, 83 Topsia Road, 7<sup>th</sup> Floor, Kolkata – 700 046.

The Company is primarily engaged in business of manufacture and sale of Ferro Alloys, Iron & Steel products and power generation. Currently it has an integrated steel plant in Odisha and has its presence in wind power sector in the state of Maharashtra.

The financial statements for the year ended March 31, 2022 were approved for issue by Company's board of directors on May 18, 2022.

### 1(A) Significant Accounting Policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

#### a. Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

#### b. Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest millions, except otherwise stated.

#### c. Ministry of Corporate Affairs (MCA) issued notifications dated 24th March, 2021 to amend Schedule III of the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1st April, 2021 and applied to the standalone financial statements.

#### d. Recent Accounting Developments

Ministry of Corporate Affairs (MCA), vide notification dated 23rd March, 2022, has made the following amendments to Ind AS which are effective from 1st April, 2022:

- a. Ind AS 109: Annual Improvements to Ind AS (2021)
- b. Ind AS 103: Reference to Conceptual Framework
- c. Ind AS 37: Onerous Contracts - Costs of Fulfilling a Contract
- d. Ind AS 16: Proceeds before intended use

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its standalone financial statements.

#### e. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either, in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

## Significant accounting policies

for the period ended 31st March, 2022

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- o Disclosures for valuation methods, significant estimates and assumptions
- o Quantitative disclosures of fair value measurement hierarchy
- o Investment in quoted and unquoted equity shares
- o Financial instruments

### f. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

## Significant accounting policies

for the period ended 31st March, 2022

### g. Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

### h. Property, plant and equipment

Recognition and initial measurement

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

#### Impairment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of the qualifying assets.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of profit and loss.

On the date of transition to Ind AS that is 01-04-2015 the company had taken fair value for land & building and plant & equipment as its deemed cost.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

### i. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

#### Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Class of assets	Years
Computer software	3 to 5 years

## Significant accounting policies

for the period ended 31st March, 2022

### j. Depreciation and amortisation property plant and equipment and intangible assets

Depreciation or amortisation is provided so as to write off, on a Written down value basis, the cost of property, plant and equipment and other intangible assets to their residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives as per the useful life prescribed in Schedule II to the Companies Act, 2013, or, as per technical assessment, or, in the case of leased assets, over the lease period, if shorter. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act in the below mentioned assets. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets.

Asset Class	Company Policy	As per Sch. II
Non Factory Building	5-60 Years	60 Years
Office Equipment	3-5 Years	5 Years
Plant & Machineries	5-40 Years	20-40 Years

Freehold land is not depreciated.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

### k. Impairment of non-financial assets

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or CGU) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

### l. Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

#### Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.



## Significant accounting policies

for the period ended 31st March, 2022

### Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following line:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

### Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### Fair Value through Other Comprehensive Income

A financial asset shall be classified and measured at fair value through Other Comprehensive Income if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company in respect of unquoted equity investments which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

### Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through Other Comprehensive Income.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Company has measured quoted equity instruments at fair value through profit or loss.

### Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

### Financial Liabilities at fair value through profit & loss

Financial liabilities are classified as at fair value through profit & loss when the financial liability is held for trading or are designated upon initial recognition as fair value through profit & loss:

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

### Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

## Significant accounting policies

for the period ended 31st March, 2022

### Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

### Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

### Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

## m. Employee benefits

### Short term obligations

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

### Defined contribution plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

### Defined benefit plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) is treated as a net expense within employment costs. Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

## n. Inventories

Raw materials are valued at cost on FIFO basis

Traded goods are valued on FIFO basis.

Work-in-progress and Finished Goods are valued at lower of Cost or Net Realizable Value on weighted average or FIFO basis, as applicable. Cost is taken as Factory cost of the products.

## Significant accounting policies

for the period ended 31st March, 2022

By products are valued at estimated Net Realizable Value and Stores and Spares on Weighted Average Basis.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### **o. Provisions, Contingent liabilities and Contingent assets**

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

### **p. Government grants**

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Grants related to assets are treated as deferred income and are recognized as other income in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset. Grants related to income are recognized on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate and are deducted from the expense in the Statement of Profit and Loss

### **q. Non-current assets held for sale and discontinued operations**

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Company must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

### **r. Income taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

Current tax is the amount of tax payable based on the taxable profit for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Company operates and generates taxable income.

## Significant accounting policies

for the period ended 31st March, 2022

### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they are related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### s. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Company as lessee

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

## Significant accounting policies

for the period ended 31st March, 2022

### Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term and the lease term is as follows.

Class of assets	Years
Leasehold land	99 Years
Buildings	2 to 5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

### Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

### Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

## t. Revenue

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, and goods and service tax. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made.

### Sale of goods

Revenue from sale of products is recognized when the Company transfers the control of goods to the customer as per the terms of contract. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In the context of the sale of the products, separate performance obligations may arise from freight and transport services as well as from services directly related to the sale of the products. These services are generally performed at the time that the control of the products is transferred. In a few exceptional cases, the freight and transport services are performed after the control of the products has been transferred. In accordance with IND AS 115, the revenue relating to these freight and transport services is realised later than the corresponding product revenue. In determining the transaction price, the Company considers the effects of variable consideration such as discounts, volume rebates, or other contractual price reductions, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). However, variable consideration

## Significant accounting policies

for the period ended 31st March, 2022

is only included if it is highly probable that a significant reversal of revenue will not occur once the uncertainty related to the variable consideration is resolved.

In case of domestic sales, the company believes that the control gets transferred to the customer on dispatch of the goods from the factory and in case of exports, revenue is recognised on passage of control as per the terms of contract / incoterms. Variable consideration in the form of volume rebates is recognised at the time of sale made to the customers and are offset against the amounts payable by them.

### Conversion Income

Revenue from sale of service is recognised when control has been transferred to the buyer usually when the delivery of goods after due process of conversion takes place, revenue is booked when all the performance obligations are satisfied. In determining the transaction price, the Company considers the effects of variable consideration such as discounts, volume rebates, or other contractual price reductions, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). However, variable consideration is only included if it is highly probable that a significant reversal of revenue will not occur once the uncertainty related to the variable consideration is resolved.

### Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

### Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

#### u. Foreign currency transactions

The financial statements of the Company are presented in Indian rupees (₹), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are restated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the translation or settlement of other monetary items are included in the statement of profit and loss for the period.

#### v. Borrowing costs

Borrowings costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

#### w. Earnings per share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of



## Significant accounting policies

for the period ended 31st March, 2022

equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

### x. Trade receivables

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

### y. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with the financial institutions, other short term, highly liquid investments with original maturities of three months or less (except the instruments which are pledged) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### z. Trade and other payables

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

### aa. Segment reporting

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

### bb. Investment in subsidiaries and associates and joint venture

Investment in subsidiaries and associates are shown at deemed cost except investment in one subsidiary. Further where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of profit and loss.

### cc. Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

### dd. Expected Credit Loss

Loss allowance equal to the lifetime expected credit losses is recognized if the credit risk on the financial instruments has significantly increased since initial recognition.

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### 2 - Property, Plant and Equipment

(₹ in Crores)

Description	Gross block				Accumulated depreciation				Net block
	1st April 2021	Additions	Disposals/ Adjust-ment	31st March 2022	1st April 2021	Additions	Disposals/ Adjust-ment	31st March 2022	31st March 2022
Freehold Land	49.53	0.50	-	50.03	-	-	-	-	50.03
Buildings	288.61	42.81	-	331.42	103.76	18.43	-	122.19	209.23
Plant and Equipment	1,148.00	223.71	-	1,371.71	599.82	98.45	-	698.27	673.44
Furniture and Fixtures	1.20	0.11	-	1.31	0.46	0.20	-	0.66	0.65
Vehicles	3.65	1.02	0.28	4.39	1.38	0.84	0.26	1.96	2.43
Office Equipment	0.78	1.11	-	1.89	0.53	0.18	-	0.71	1.18
<b>Total</b>	<b>1,491.77</b>	<b>269.26</b>	<b>0.28</b>	<b>1,760.75</b>	<b>705.95</b>	<b>118.10</b>	<b>0.26</b>	<b>823.79</b>	<b>936.96</b>

Description	Gross block				Accumulated depreciation				Net block
	1st April 2020	Additions	Disposals/ Adjust-ment	31st March 2021	1st April 2020	Additions	Disposals/ Adjust-ment	31st March 2021	31st March 2021
Freehold Land	49.53	-	-	49.53	-	-	-	-	49.53
Buildings	288.61	-	-	288.61	84.32	19.44	-	103.76	184.85
Plant and Equipment	1,147.08	0.92	-	1,148.00	471.41	128.41	-	599.82	548.18
Furniture and Fixtures	0.61	0.59	-	1.20	0.30	0.16	-	0.46	0.74
Vehicles	2.92	0.73	-	3.65	0.90	0.48	-	1.38	2.27
Office Equipment	0.69	0.09	-	0.78	0.42	0.11	-	0.53	0.25
<b>Total</b>	<b>1,489.44</b>	<b>2.33</b>	<b>-</b>	<b>1,491.77</b>	<b>557.35</b>	<b>148.60</b>	<b>-</b>	<b>705.95</b>	<b>785.82</b>

- (a) Individual assets of property, plant and equipment has been reclassified wherever necessary.
- (b) Refer note 40(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- (c) Refer note 19 & 24 for information on property, plant and equipment pledged as security by the Company.
- (d) Freehold land & Building are in the name of the Company except as follows :

#### Details as on 31st March 2022

Description of Properties	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative/ employee of promoter or director	Property held (Years In Range)	Reason for not being held in the name of the Company
Freehold Land	1.01	Shyam DRI and Power Limited	No	2003-2009	The Company is in process of getting perfection to the title due to change in the name of the company

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### Details as on 31st March 2021

Description of Properties	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative/ employee of promoter or director	Property held (Years In Range)	Reason for not being held in the name of the Company
Freehold Land	1.01	Shyam DRI and Power Limited	No	2003-2009	The Company is in process of getting perfection to the title due to change in the name of the company

There are some lands in the possession of the company but the title deeds has not been transferred in the name of the company.

### 2A - Right of Use Assets

(₹ in Crores)

Description	Gross block				Accumulated depreciation				Net block
	1st April 2021	Additions	Disposals/ Adjust-ment	31st March 2022	1st April 2021	Additions	Disposals/ Adjust-ments	31st March 2022	31st March 2022
Building	4.04	0.74	-	4.78	1.37	0.86	-	2.23	2.55
Land	21.04	-	-	21.04	1.46	0.25	-	1.71	19.33
<b>Total</b>	<b>25.08</b>	<b>0.74</b>	<b>-</b>	<b>25.82</b>	<b>2.83</b>	<b>1.11</b>	<b>-</b>	<b>3.94</b>	<b>21.88</b>

Description	Gross block				Accumulated depreciation				Net block
	1st April 2020	Additions	Disposals/ Adjust-ments	31st March 2021	1st April 2020	Additions	Disposals/ Adjust-ments	31st March 2021	31st March 2021
Building	3.33	0.71	-	4.04	0.64	0.73	-	1.37	2.67
Land	21.04	-	-	21.04	1.21	0.25	-	1.46	19.58
<b>Total</b>	<b>24.37</b>	<b>0.71</b>	<b>-</b>	<b>25.08</b>	<b>1.85</b>	<b>0.98</b>	<b>-</b>	<b>2.83</b>	<b>22.25</b>

### 3 - Capital Work-in-Progress

(₹ in Crores)

Description	1st April 2021	Additions	Capitalizations / Adjustments	31st March 2022
Buildings	31.43	24.62	42.81	13.24
Plant and equipment	198.79	444.15	219.33	423.61
<b>Total</b>	<b>230.22</b>	<b>468.77</b>	<b>262.14</b>	<b>436.85</b>

Description	1st April 2020	Additions	Capitalizations / Adjustments	31st March 2021
Buildings	6.00	25.43	-	31.43
Plant and equipment	77.83	120.96	-	198.79
<b>Total</b>	<b>83.83</b>	<b>146.39</b>	<b>-</b>	<b>230.22</b>

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### Capital work-in-progress ageing schedule for the year ended March 31, 2022

(₹ in Crores)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	282.35	112.82	31.31	10.37	436.85
<b>Total Capital work-in-progress</b>	<b>282.35</b>	<b>112.82</b>	<b>31.31</b>	<b>10.37</b>	<b>436.85</b>

### Capital work-in-progress ageing schedule for the year ended March 31, 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	52.27	115.59	10.23	52.12	230.22
<b>Total Capital work-in-progress</b>	<b>52.27</b>	<b>115.59</b>	<b>10.23</b>	<b>52.12</b>	<b>230.22</b>

Note - There are no projects which are overdue as on 31.03.2022 and 31.03.2021 respectively.

### 4 - Intangible Assets

(₹ in Crores)

Description	Gross block				Accumulated depreciation				Net block
	1st April 2021	Additions	Disposals/ Adjust-ment	31st March 2022	1st April 2021	Additions	Disposals/ Adjust-ment	31st March 2022	31st March 2022
Software	1.26	4.18	-	5.44	1.10	0.70	-	1.80	3.64
<b>Total</b>	<b>1.26</b>	<b>4.18</b>	<b>-</b>	<b>5.44</b>	<b>1.10</b>	<b>0.70</b>	<b>-</b>	<b>1.80</b>	<b>3.64</b>

Description	Gross block				Accumulated depreciation				Net block
	1st April 2020	Additions	Disposals/ Adjust-ment	31st March 2021	1st April 2020	Additions	Disposals/ Adjust-ment	31st March 2021	31st March 2021
Software	1.20	0.06	-	1.26	1.01	0.09	-	1.10	0.16
<b>Total</b>	<b>1.20</b>	<b>0.06</b>	<b>-</b>	<b>1.26</b>	<b>1.01</b>	<b>0.09</b>	<b>-</b>	<b>1.10</b>	<b>0.16</b>

### 5 - Investments in subsidiaries, associates and joint ventures

(₹ in Crores)

Particulars	Face Value	Number of shares		Value of Shares	
		As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
<b>Investments measured at cost/deemed cost</b>					
<b>Unquoted</b>					
<b>Investment in Subsidiaries</b>					
Shyam Sel & Power Limited	10	4,41,30,036	4,41,27,840	923.10	923.00
Damodar Aluminium Private Limited	10	-	96,000	-	0.10
Singhbhum Steel & Power Private Limited	10	-	1,07,000	-	0.11
Renaissance Hydro Power Private Limited	10	-	9,980	-	0.01
Meadow Housing Private Limited	10	-	2,90,000	-	0.29
Kalinga Infra Projects Limited	10	-	45,000	-	0.05
				<b>923.10</b>	<b>923.56</b>

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

(₹ in Crores)

Particulars	Face Value	Number of shares		Value of Shares	
		As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
<b>Investments in Associates</b>					
Meghana Vyapaar Private Limited	10	1,00,000	1,00,000	0.10	0.10
Kolhan Complex Private Limited	10	-	27,800	-	0.25
Kecons Tradecare Private Limited	10	-	74,07,500	-	10.00
				<b>0.10</b>	<b>10.35</b>
<b>Investment in Joint Venture</b>					
MJSJ Coal Limited	10	85,59,000	85,59,000	-	-
<b>Total</b>				<b>923.20</b>	<b>933.91</b>

**Details of Subsidiaries, Associates and Joint Ventures in accordance with Ind AS 112 "Disclosure of interests in other entities":**

Name of the Company	Country of Incorporation	Proportion of ownership interest/voting rights held by the Company	
		As at 31st March 2022	As at 31st March 2021
<b>Subsidiary</b>			
Shyam Sel & Power Limited	India	100.00%	100.00%
Damodar Aluminium Private Limited	India	0.00%	54.15%
Singhbhum Steel & Power Private Limited	India	0.00%	91.45%
Renaissance Hydro Power Private Limited	India	0.00%	100.00%
Meadow Housing Private Limited	India	0.00%	27.62%
Kalinga Infra Projects Limited	India	0.00%	90.00%
<b>Associates</b>			
Meghana Vyapaar Private Limited	India	33.51%	33.51%
Kolhan Complex Private Limited	India	0.00%	8.60%
Kecons Tradecare Private Limited	India	0.00%	47.32%
<b>Joint venture</b>			
MJSJ Coal Limited	India	9.00%	9.00%

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### 5A - Investments (Non-Current)

(₹ in Crores)

Particulars	Face Value	Number of shares		Value of Shares	
		As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
<b>Investments measured at fair value through other comprehensive income</b>					
<b>Unquoted</b>					
<b>Investment in equity instruments</b>					
Mrashva Storage and Warehouse Private Limited*	10	-	98,804	-	0.57
Dorite Tracon Private Limited	10	7,30,000	7,30,000	29.76	10.62
Narantak Dealcomm Limited	10	16,41,088	16,41,088	55.19	27.18
Platinum Minmet Private Limited	10	-	9,800	-	0.09
Subhlabh Commercials Private Limited	10	1,01,350	1,01,350	2.55	1.72
Shubham Capital Private Limited	10	3,57,000	3,57,000	10.22	4.09
Sri Sikhar Iron and Steel Private Limited	10	-	500	-	0.00
Sunglow Complex Private Limited	10	-	9,800	-	0.08
Shyam Ores(Jharkhand) Private Limited	10	200	26,400	0.00	0.33
Swarnrekha Abasan Private Limited	10	-	9,800	-	0.14
				<b>97.72</b>	<b>44.82</b>
<b>Investment in Government Securities at amortised cost</b>					
National Saving Certificate (VII Issue)		-	-	0.07	0.08
<b>Quoted</b>					
<b>Investment in debentures or bonds</b>					
<b>Investments measured at fair value through other Amortised Cost</b>					
8.23% IRFC Tax Free Bond	1000	1,00,000	-	10.09	-
State Bank of India Series I 7.72% Perpetual Bond	1,00,00,000	36	-	36.04	-
IIFL Wealth Prime Limited	1000000	500	-	49.41	-
<b>Investments measured at fair value through Profit &amp; Loss</b>					
Shriram Transport Finance Company Limited Series III	1000000	500	-	54.75	-
Vidya Trust 2021 Series IV PTC	10000	34,632	-	32.68	-
Piramal Capital and Housing Finance Limited	975	5,89,500	-	48.51	-
<b>Investment in Mutual Funds</b>					
<b>Investments measured at fair value through Profit &amp; Loss</b>					
SBI Fixed Maturity Plan Series 52 (1848 days)		89,99,550	-	9.15	-
<b>Total</b>				<b>338.42</b>	<b>44.90</b>
Aggregate amount of unquoted investments				<b>97.79</b>	<b>44.90</b>
Aggregate book value of quoted investments				<b>240.63</b>	-
Aggregate market value of quoted investments				<b>240.63</b>	-

\* Pursuant to the scheme of amalgamation between Mrashva Storage and Warehouse Private Limited and Shyam Sel and Power Limited



## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### 6 - Other Financial Assets (Non-Current)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Unsecured, considered good</b>		
Security deposits (Long Term)	14.10	9.03
Bank deposits with maturity more than 12 months	4.51	19.90
<b>Total</b>	<b>18.61</b>	<b>28.93</b>

(a) Fixed Deposits amounting to ₹ 0.23 Crores (31st March 2021 : 17.4 Crores) are held as margin money

### 7 - Other Non-Current Assets

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Unsecured, considered good</b>		
Capital advances (Long Term)	43.38	43.92
Deposits against demands under dispute	1.00	1.06
<b>Total</b>	<b>44.38</b>	<b>44.98</b>

### 8 - Inventories

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Valued at lower of Cost and Net Realisable Value</b>		
Raw Materials	733.99	365.76
Work-in-Progress	-	2.53
Finished Goods	205.42	94.76
Stores and Spares	43.22	40.23
Stock in Trade	-	2.14
By-Products	23.61	25.54
<b>Total</b>	<b>1,006.24</b>	<b>530.96</b>

Inventories are hypothecated to bank against working capital facility.

### 9- Investments (Current)

(₹ in Crores, except number of units)

Particulars	Number of units		Value	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
<b>Investments measured at fair value through Amortised Cost Quoted</b>				
<b>Investment in Bonds</b>				
8.09% PFC Ltd	-	500.000	-	4.96
<b>Investments measured at fair value through Profit &amp; Loss</b>				
<b>Investment in Mutual Funds</b>				
ICICI Prudential Mutual Fund - Arbitrage Fund	1,27,75,849	-	37.43	-
ICICI Prudential Over Night Mutual Fund	39,26,999	-	45.00	-
Axis Arbitrage Fund	9,70,14,560	-	157.03	-
Kotak Equity Arbitrage Fund	2,56,59,206	-	81.26	-
SBI Debt Fund Series	-	29,78,712	-	3.75

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

(₹ in Crores, except number of units)

Particulars	Number of units		Value	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Aditya BirlaSun Life Equity Arbitrage Fund	1,50,93,074	-	34.34	-
HDFC Housing Opportunities Fund Series 1	-	10,00,000	-	1.10
<b>Total</b>			<b>355.06</b>	<b>9.81</b>
Aggregate book value of quoted investments			<b>355.06</b>	<b>9.81</b>
Aggregate market value of quoted investments			<b>355.06</b>	<b>9.81</b>

### 10 - Trade Receivables

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Trade receivables considered good (Unsecured)	103.88	298.61
Trade receivables - credit impaired	1.65	1.38
	105.53	299.99
<b>Less: Allowances for credit losses</b>	<b>(1.65)</b>	<b>(1.38)</b>
<b>Total</b>	<b>103.88</b>	<b>298.61</b>

**Expected Credit Loss** - In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

### Trade Receivable ageing schedule for the year ended as on March 31, 2022

#### Ageing of Trade Receivables

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivable - Considered Good	27.39	67.23	6.93	2.14	0.09	0.10	103.88
Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable - Credit Impaired	-	-	-	0.23	0.07	0.10	0.40
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	1.25	1.25
<b>Total (A)</b>	<b>27.39</b>	<b>67.23</b>	<b>6.93</b>	<b>2.37</b>	<b>0.16</b>	<b>1.45</b>	<b>105.53</b>
Less: Allowance for expected credit loss							1.65
Less: Allowance for credit impairment							-
<b>Total (B)</b>							<b>1.65</b>
<b>Total (A-B)</b>							<b>103.88</b>

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### Trade Receivable ageing schedule for the year ended as on March 31, 2021

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivable - Considered Good	18.13	276.35	3.39	0.57	0.16	0.00	298.59
Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable - Credit Impaired	-	-	-	0.09	0.05	0.01	0.15
Disputed Trade Receivable - Considered Good	-	-	-	-	-	0.02	0.02
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	1.23	1.23
<b>Total (A)</b>	<b>18.13</b>	<b>276.35</b>	<b>3.39</b>	<b>0.66</b>	<b>0.21</b>	<b>1.26</b>	<b>299.99</b>
Less: Allowance for expected credit loss							1.38
Less: Allowance for credit impairment							-
<b>Total (B)</b>							<b>1.38</b>
<b>Total (A-B)</b>							<b>298.61</b>

### 11 - Cash and Cash Equivalents

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Balance with banks:</b>		
Current account	25.88	16.96
Cash on hand	0.07	0.16
Fixed Deposits with maturity less than 3 months	16.78	5.23
Unpaid Dividend account with bank	0.04	-
<b>Total</b>	<b>42.77</b>	<b>22.35</b>

Current Account Balance for the year ended 31.03.2022 includes ₹ 1.91 Crores held in Escrow Account to meet IPO Expenses (31.03.2021 : NIL)

### 12 - Other Balances with Banks

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Fixed Deposits held as margin with maturity less than 3 months	-	6.31
Fixed Deposits with maturity for more than 3 months but less than 12 months	110.49	36.66
<b>Total</b>	<b>110.49</b>	<b>42.97</b>

(a) Fixed Deposits amounting to ₹ 6.25 Crores (31st March 2021 : ₹ 13.47 Crores) are held as margin money

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### 13 - Loans (Current)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(Unsecured, considered good)</b>		
Loan to related parties	0.12	0.32
Loans receivable considered good (Unsecured)	0.03	8.96
<b>Total</b>	<b>0.15</b>	<b>9.28</b>

### 14 - Other Financial Assets (Current)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Unsecured, considered good</b>		
Security deposits (Short Term)	3.86	1.01
Interest accrued and due on fixed deposits	3.64	2.77
Interest accrued on bond	3.09	0.14
Interest accrued on deposits	0.54	0.25
Insurance claim receivable	-	0.27
MTM receivable	0.32	-
Incentive receivable	6.17	6.08
<b>Total</b>	<b>17.62</b>	<b>10.52</b>

### 15 - Current Tax Assets (Net)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Advance tax (net of provisions)	14.93	1.46
<b>Total</b>	<b>14.93</b>	<b>1.46</b>

### 16 - Other Current Assets

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Unsecured, considered good</b>		
Advances other than capital advances:		
Advances against goods and expenses	387.89	198.88
Advances for IPO	0.07	2.89
Advances to employees	4.30	0.87
Balances with statutory authorities	30.88	8.10
<b>Total</b>	<b>423.14</b>	<b>210.74</b>

Advance to employees includes ₹ 0.90 Crores advance made to directors and their relatives (Previous year: NIL)

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### 17 - Equity Share Capital

#### a) Authorised, Issued, Subscribed and Paid up Share Capital

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Authorised Capital</b>		
290,000,000 (March 31, 2021 - 290,000,000) Equity Shares of ₹ 10 each	290.00	290.00
<b>Total</b>	<b>290.00</b>	<b>290.00</b>
<b>Issued, Subscribed &amp; Fully Paid-up Capital</b>		
255,080,688 (March 31, 2021 - 233,610,100) Equity Shares of ₹ 10 each	255.08	233.61
<b>Total</b>	<b>255.08</b>	<b>233.61</b>

#### b) Reconciliation of equity shares outstanding at the end of the reporting period

Particulars	As at 31st March 2022		As at 31st March 2021	
	No of shares	₹ in Crores	No of shares	₹ in Crores
Equity shares at the beginning of the year	23,36,10,100	233.61	23,36,10,100	233.61
Add: Shares issued during the year*	2,14,70,588	21.47	-	-
<b>Equity shares at the end of the year</b>	<b>25,50,80,688</b>	<b>255.08</b>	<b>23,36,10,100</b>	<b>233.61</b>

\* During the year ended March 31, 2022 the company has issued 2,14,70,588 fresh equity shares through Initial Public Offer of Face Value ₹ 10 each aggregating to ₹ 21.47 Crores

#### c) Initial Public Offer :

The Company had made an Initial Public Offer (IPO), during the year ended March 31, 2022 for 2,97,05,880 equity shares of ₹10 each, comprising of a fresh issue of 2,14,70,588 equity shares by the Company and 82,35,292 equity shares offered for sale by selling shareholders. The Equity shares were issued at a price of ₹ 306 per share (including a Share Premium of ₹ 296). Of the total equity shares, 3,00,000 equity shares were reserved for eligible employees at a discount of ₹ 15 per share. Total Share Premium received from IPO (net of employee discount) is ₹ 635.32 crores reduced by the Company's share of IPO related expenses of ₹ 31.22 Crores.

**Proceeds from Initial Public Offer made during the year ended March 31, 2022 have been utilised in the following manner :**

Particulars	Utilised in FY 2021-22
Repayment of borrowings	470.00
Expenses towards general corporate purposes	149.96
	<b>619.96</b>

#### d) Rights/preferences/restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

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

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

**e) Aggregate number of bonus shares allotted as fully paid up during the period of 5 years immediately preceding the reporting date**

Particulars	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Opening	-	-	-	-	-
Add: Fully paid up bonus shares issued	-	-	-	18,68,88,080	-
<b>Total</b>	-	-	-	<b>18,68,88,080</b>	-

**f) Aggregate number of New shares allotted as fully paid up during the period of 5 years immediately preceding the reporting date**

Particulars	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Opening	23,36,10,100	23,36,10,100	23,36,10,100	23,36,10,100	23,36,10,100
Add: Equity Share allotted as fully paid in Initial Public Offer	2,14,70,588	-	-	-	-
<b>Closing</b>	<b>25,50,80,688</b>	<b>23,36,10,100</b>	<b>23,36,10,100</b>	<b>23,36,10,100</b>	<b>23,36,10,100</b>

**g) Shares held by promoters**

Particulars	No of Shares (31.03.2022)	% of Total Shares (31.03.2022)	No of Shares (31.03.2021)	% of Total Shares (31.03.2021)	% Change during the year
<b>Promoter Name</b>					
Subham Buildwell Private Limited	7,05,38,427	27.65%	7,25,97,250	31.08%	-3.42%
NarantakDealcomm Limited	5,08,93,406	19.95%	5,40,63,340	23.14%	-3.19%
Subham Capital Private Limited	4,07,85,620	15.99%	4,19,94,770	17.98%	-1.99%
Kalpataru Housefin & Trading Private Limited	2,14,02,157	8.39%	2,22,19,150	9.51%	-1.12%
Dorite Tracon Private Limited	1,42,16,273	5.57%	1,51,96,665	6.51%	-0.93%
Top Light Mercantiles Private Limited	6,98,750	0.27%	6,98,750	0.30%	-0.03%
Brij Bhushan Agarwal	2,32,84,820	9.13%	2,32,84,820	9.97%	-0.84%
Sanjay Kumar Agarwal	31,580	0.01%	31,580	0.01%	0.00%
Mahabir Prasad Agarwal	2,525	0.00%	2,525	0.00%	0.00%
<b>Promoter Group Name</b>					
Brij Bhushan Agarwal HUF	22,50,000	0.88%	22,50,000	0.96%	-0.08%
Mittu Agarwal	11,33,750	0.44%	11,33,750	0.49%	-0.04%
Sangita Agarwal	45,000	0.02%	45,000	0.02%	0.00%
Kirandevi Vimal Agrawal	45,000	0.02%	45,000	0.02%	0.00%
Anita Jhunjunwala	45,000	0.02%	45,000	0.02%	0.00%
Bajrang Lal Agarwal	2,500	0.00%	2,500	0.00%	0.00%

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the Company's Board of Directors. Income tax consequences of dividends on financial instruments classified as equity will be recognized according to where the entity originally recognized those past transactions or events that generated distributable profits.

The Company declares and pays dividends in Indian Rupees. Companies are required to pay/ distribute dividend after applicable withholding income taxes. The remittance of dividends outside India is generally governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.



## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

The amount of per share dividend recognized as distribution to equity shareholders in accordance with Companies Act 2013 is as follows:

(₹ in Crores)

Particulars	Year Ended	
	31st March 2022	31st March 2021
Interim dividend for fiscal 2022 (₹2.25 per share)	114.79	-
Final dividend for fiscal 2021 (₹ 2.70 per share)	68.87	-
Interim dividend for fiscal 2021 (₹ 2.25 per share)	-	43.22

Out of the total dividend distributed in FY 2021-22 an amount of ₹ 0.04 Crores is unpaid and is lying in our bank accounts earmarked for dividend payment.

### h) Details of shareholders holding more than 5% shares in the Company

Equity shares of ₹10 each fully paid up	As at 31st March 2022		As at 31st March 2021	
	No. of shares	Holding	No. of shares	Holding
Subham Buildwell Private Limited	7,05,38,427	27.65%	7,25,97,250	31.08%
Narantak Dealcomm Limited	5,08,93,406	19.95%	5,40,63,340	23.14%
Subham Capital Private Limited	4,07,85,620	15.99%	4,19,94,770	17.98%
Mr. Brij Bhushan Agarwal	2,32,84,820	9.13%	2,32,84,820	9.97%
Kalpataru Housefin & Trading Private Limited	2,14,02,157	8.39%	2,22,19,150	9.51%
Dorite Tracon Private Limited	1,42,16,273	5.57%	1,51,96,665	6.51%

### 18 - Other Equity

(₹ in Crores)

Particulars	Reserves and Surplus				Equity instruments through other comprehensive income	Remeasurements of the net defined benefit plans	Total Other Equity
	Securities Premium	Retained Earnings	Capital Reserves	Other Reserves			
Balance at 1st April, 2021	178.15	1,842.07	72.18	1.10	30.06	-	2,123.56
Profit/(Loss) on sale of Investment	-	-	-	-	(0.28)	-	(0.28)
Dividend Paid	-	(183.66)	-	-	-	-	(183.66)
Income tax effect	-	-	-	-	(12.61)	0.10	(12.51)
Other comprehensive income	-	-	-	-	53.89	(0.27)	53.61
Securities Premium Received	604.11	-	-	-	-	-	604.11
Transfer to Retained Earnings	-	(0.17)	-	-	-	0.17	-
Profit for the year	-	810.27	-	-	-	-	810.27
<b>Balance at 31st March, 2022</b>	<b>782.26</b>	<b>2,468.51</b>	<b>72.18</b>	<b>1.10</b>	<b>71.06</b>	<b>-</b>	<b>3,395.10</b>
Balance at 1st April, 2020	178.15	1,446.16	72.18	1.10	26.75	-	1,724.34
Profit/(Loss) on sale of Investment	-	-	-	-	0.03	-	0.03
Dividend Paid	-	(43.22)	-	-	-	-	(43.22)
Income tax effect	-	-	-	-	(0.99)	(0.12)	(1.11)
Other comprehensive income	-	-	-	-	4.27	0.35	4.62
Transfer to Retained Earnings	-	0.23	-	-	-	(0.23)	-
Profit for the year	-	438.90	-	-	-	-	438.90
<b>Balance at 31st March, 2021</b>	<b>178.15</b>	<b>1,842.07</b>	<b>72.18</b>	<b>1.10</b>	<b>30.06</b>	<b>-</b>	<b>2,123.56</b>

Note: Addition to Securities Premium during the year ended 31.03.2022 represents amount received on account of IPO (net of employee discount) ₹ 635.33 Crores reduced by the Company's share of IPO related Expenses ₹ 31.22 Crores (31.03.2021 : NIL)

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### 19 - Borrowings (Non-Current)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Secured</b>		
<b>Term Loans:</b>		
Foreign currency loan	-	4.05
<b>Long term maturities of finance lease obligations:</b>		
Commercial Vehicle Loan	0.89	1.14
	0.89	5.19
Less: Current maturities of Lease Liabilities	-	
Less: Current maturities of long term debt (Refer Note 24)	(0.35)	(4.42)
<b>Total</b>	<b>0.54</b>	<b>0.77</b>

### Repayment terms and security disclosure for the outstanding long-term borrowings (excluding current maturities) as on 31st March 2022 :

Hire Purchase Finance and commercial vehicle loan is secured against hypothecation of respective assets

#### (ii) Repayment Terms for Secured Borrowings

(₹ in Crores)

Name of Bank	Type of Loan	Rate of Interest (%) P.A.	Loan Amount		Repayment Schedule	Security, Pre-payment and Penalty
			As at 31st March 2022	As at 31st March 2021		
ICICI Bank	ECB	6 M USD LIBOR + 4.25 %	-	4.06	Not Applicable	Refer Note - 19.1
<b>Total</b>			-	<b>4.06</b>		
Unamortized upfront fees and reinstatement of loan			-	(0.01)		
<b>Total</b>			-	<b>4.05</b>		

### 19.1

#### Security

- First charge by way of Equitable Mortgage/Registered Mortgage/ English mortgage over all the moveable properties including the land (pertaining to the project) situated at Sangli in the state of Maharashtra.
- First charge by way of hypothecation over all moveable fixed assets of the Project, both present and future.
- Assignments of rights, interest and obligations of the Borrower under the Project Documents, including insurance policies relating to the Project, permits/approvals, clearances related to the Project, both present and future.
- Second charge over all the current assets of the Project, both present and future.

#### Pre-payment terms

Subject to the prevailing guidelines issued by RBI in respect of ECB's, the Borrower may prepay in whole or in part (if in part, minimum amount of USD 1 million, or a higher amount, which is in integral multiples of USD 1 million or if lessee than the entire outstanding facility) upon 15 business days prior written notice to the Lender along with the prepayment premium of 0.20% of the amount to be prepaid.

#### Penalty

There is no penalty clause.

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### 19A - Lease Liabilities

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Non Current Lease Liability	3.19	3.23
Current Lease Liability	0.67	0.58
<b>Total</b>	<b>3.86</b>	<b>3.81</b>

### 20 - Other Financial Liabilities (Non-Current)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Security deposits received	0.51	-
Retention money	11.05	8.87
<b>Total</b>	<b>11.56</b>	<b>8.87</b>

### 21 - Provisions (Non-Current)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for employee benefits - Gratuity(Refer Note 41)	5.55	4.49
Provision for employee benefits - Leave	1.29	0.88
<b>Total</b>	<b>6.84</b>	<b>5.37</b>

### 22 - Deferred Tax Liabilities (Net)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Deferred tax liability arising on account of :</b>		
Difference in value of assets as per books and as per tax	66.94	72.83
Fair valuation of mutual funds and investments	23.79	9.71
<b>Deferred tax assets arising on account of :</b>		
Lease Liabilities	1.35	1.33
Provision on Receivables	(0.58)	0.48
Provision for Employee Benefit	3.54	2.71
Amortisation of upfront fees (net)*	-	(0.00)
<b>Sub-Total</b>	<b>86.42</b>	<b>78.01</b>
<b>Less: MAT credit entitlement</b>	<b>(15.18)</b>	<b>(124.08)</b>
<b>Total</b>	<b>71.24</b>	<b>(46.07)</b>

\* 0.00 represents figures less than 1 lakh.

### 23 - Other Non-Current Liabilities

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Liability for water charges & Electricity Duty	170.66	202.63
<b>Total</b>	<b>170.66</b>	<b>202.63</b>

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### 24 - Borrowings (Current)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Current maturities of long term debts (Refer note 19)	0.35	4.42
<b>Secured</b>		
<b>Loans Repayable on Demand</b>		
<b>From Banks:</b>		
Working Capital - Foreign Currency Loan	-	109.43
Working capital - Demand Loan	115.11	171.12
Working capital - Cash Credit	22.60	19.50
<b>Unsecured</b>		
From Banks	40.00	-
From Body Corporate	-	11.02
<b>Total</b>	<b>178.06</b>	<b>315.49</b>

#### Borrowings have been drawn at following rate of interest

Particulars	Rate of Interest
Foreign Currency Loan	NA
Working capital borrowings and Cash Credit	7.10% p.a. to 8.70% p.a.
Short Term Loan	4.35%

#### Security disclosure for outstanding current borrowings:

Borrowing from banks are secured, in respect of respective facilities, by way of hypothecation of entire current assets of the Company and further secured by second charge on fixed assets of the Company.

#### Current Reporting Period

Particulars	Period	Amount as per Financials	Amount as per statement filed with bankers	Difference	Remarks
Eligible Trade Receivables & Inventory	30.06.2021	706.03	708.53	-2.50	Statements are being filed with bankers on the basis of provisional figures since the final figures are made available at a later date.
	30.09.2021	763.27	758.23	5.04	
	31.12.2021	857.43	835.02	22.41	The Company has not claimed Drawing Power(DP) on certain current assets. DP is calculated as per norms of lenders.
	31.03.2022	1,110.12	1,100.86	9.26	

### 25 - Trade Payables

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Due to micro enterprise and small enterprise	2.63	2.07
Due to others	518.72	157.32
<b>Total</b>	<b>521.35</b>	<b>159.39</b>

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Principal amount outstanding as at end of year	2.63	2.07
Principal amount overdue more than 45 days	-	-
Interest due and unpaid as at end of year	-	-
Interest paid to the Supplier	-	-
Payment made to the supplier beyond the appointment date during the year	-	-
Interest due and payable for the year of delay	-	-
Interest accrued and remaining unpaid as at end of year	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

### Trade Payable ageing schedule for the year ended as on March 31, 2022

(₹ in Crores)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	2.63	-	-	-	2.63
Others	374.54	132.74	1.14	-	10.30	518.72
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
<b>Total Trade Payables</b>	<b>374.54</b>	<b>135.37</b>	<b>1.14</b>	<b>-</b>	<b>10.30</b>	<b>521.35</b>

### Trade Payable ageing schedule for the year ended as on March 31, 2021

(₹ in Crores)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	2.07	-	-	-	2.07
Others	112.05	40.68	0.48	0.80	3.31	157.32
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
<b>Total Trade Payables</b>	<b>112.05</b>	<b>42.75</b>	<b>0.48</b>	<b>0.80</b>	<b>3.31</b>	<b>159.39</b>

### 26 - Other Financial Liabilities (Current)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Interest accrued but not due on borrowings	0.52	0.14
Unpaid dividend	0.04	-
Creditors for capital goods	22.07	3.89
Employee related payables	13.54	8.49
<b>Total</b>	<b>36.17</b>	<b>12.52</b>

### 27 - Other Current Liabilities

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Statutory dues	7.68	25.16
Advance from customers	27.44	22.79
Other payables	83.34	130.98
<b>Total</b>	<b>118.46</b>	<b>178.93</b>

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### 28 - Provisions (Current)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for Employee Benefits - Gratuity (Refer Note 41)	0.55	0.34
Provision for Employee Benefits - Leave	0.17	0.09
Provision for Renewable Energy Cess	28.58	28.56
<b>Total</b>	<b>29.30</b>	<b>28.99</b>

### 29 - Revenue from Operations

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Operating revenue</b>		
Sale of Manufactured Products	4,488.76	2,907.31
Sale of Services	149.84	79.46
Sale of Traded Goods	3.05	24.95
Sale of Power	3.49	3.35
Miscellaneous Sales	0.99	1.92
	<b>4,646.13</b>	<b>3,016.99</b>
<b>Other Operating Revenues</b>		
Export Incentive received	11.53	6.45
Other Incentive & Subsidy Received	0.75	0.30
<b>Total</b>	<b>4,658.41</b>	<b>3,023.74</b>

The disaggregation of the company's revenue from contracts with customers is as under:-

#### (i) Geographic market

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
India	4,310.87	2,635.20
Outside India	335.26	381.79
<b>Total</b>	<b>4,646.13</b>	<b>3,016.99</b>

#### (ii) The following table provides information about receivables, contract asset and contract liabilities from contracts with customers:-

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Receivables which are included in Trade and other receivables	103.88	298.61
Contract assets	27.39	18.13
Contract liabilities	27.44	22.79

#### (iii) Performance Obligation

The company recognises revenue from sale of goods at the point in time when control of the goods is transferred to the customers, generally on delivery of the goods and the performance obligation of the company is satisfied upon delivery of the goods to the customers.



## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### 30 - Other Income

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Interest received on financial assets carried at amortised cost:</b>		
Deposits	7.22	2.62
Loans	5.79	1.01
Interest from Bonds & Debentures	3.35	0.40
Profit on sale of investments	8.28	-
<b>Gain from fair valuation of investments carried at fair value through Profit and Loss:</b>		
Mutual Funds	8.55	1.01
Debentures	0.33	-
<b>Gain from fair valuation of investments carried at fair value through Amortised cost:</b>		
Bonds	(1.08)	0.06
Dividend received on Shares	61.78	44.13
Profit on sales of Property, Plant and Equipment	0.03	-
Insurance claim received	-	0.35
Others	0.92	0.64
<b>Total</b>	<b>95.17</b>	<b>50.22</b>

### 31 - Cost of Materials Consumed

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Opening stock	365.76	575.01
<b>Add: Purchases</b>	<b>3,474.63</b>	<b>1,693.14</b>
	<b>3,840.39</b>	<b>2,268.15</b>
<b>Less: Sales</b>	<b>172.14</b>	<b>97.68</b>
<b>Less: Closing Stock</b>	<b>733.99</b>	<b>365.76</b>
<b>Total</b>	<b>2,934.26</b>	<b>1,804.71</b>

Purchases of stock in trade, refers to all the purchases of finished goods that the Company buys from Shyam Sel and Power Limited towards conducting its business.

### 32 - Changes in Inventories

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Opening Stock</b>		
Finished Goods	94.76	129.21
Work-in-Progress	2.53	2.48
Stock in Trade	2.14	0.01
By-Products	25.53	31.67
	<b>124.96</b>	<b>163.37</b>
<b>Closing Stock</b>		
Finished Goods	205.42	94.76
Work-in-Progress	0.00	2.53
Stock in Trade	-	2.14
By-Products	23.61	25.53
	<b>229.03</b>	<b>124.96</b>
<b>(Increase) / Decrease in Inventories</b>	<b>(104.07)</b>	<b>38.41</b>

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### 33 - Employee Benefits Expense

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Salaries and wages	121.68	97.52
Contribution to provident and other funds	5.57	4.04
Staff welfare expenses	0.58	0.33
<b>Total</b>	<b>127.83</b>	<b>101.89</b>

(a) During the period the Company recognised an amount of ₹ 3.86 Crores (2020-21: ₹ 3.20 Crores ) as remuneration to Key Managerial Personnel. The details of such remuneration is as below:

#### Payment to Key Managerial Personnel

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Short-term employee benefits	3.86	3.20
<b>Total</b>	<b>3.86</b>	<b>3.20</b>

(b) For descriptive notes on disclosure of defined benefit obligation refer note 41.

### 34 - Finance Costs

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest on borrowings	7.25	26.34
Exchange difference to the extent considered as an adjustment to borrowing costs	-	0.24
Other borrowing costs	1.71	12.14
<b>Total</b>	<b>8.96</b>	<b>38.72</b>

### 35 - Depreciation and Amortisation Expense

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Depreciation on property, plant and equipment (owned assets)	117.80	148.60
Depreciation on property, plant and equipment (leased assets)	1.11	0.98
Amortisation of intangible assets	0.70	0.09
<b>Total</b>	<b>119.61</b>	<b>149.66</b>

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### 36 - Other Expenses

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Rent & Hire charges	25.82	16.03
Rates and taxes	93.82	90.33
Power, fuel and electricity expenses	43.40	32.30
Consumption of stores and spares parts	251.08	150.76
<b>Repairs and maintenance charges:</b>		
Building	4.24	1.57
Machinery	7.72	5.43
Other repair charges	6.25	4.23
Insurance	1.44	1.68
Commission and brokerage	9.67	8.19
Advertisement and publicity expenses	4.04	2.62
Legal and professional fees	7.47	2.64
Labour charges	33.75	31.35
Freight and forwarding expenses	45.65	28.48
Auditors' fees	0.28	0.18
Allowances for credit losses	0.16	(2.59)
Corporate Social Responsibility	17.98	6.23
Sundry Balances written off	(11.57)	7.48
Foreign exchange fluctuation gain (net of loss)	(5.62)	(14.89)
Miscellaneous expenses	17.04	12.06
<b>Total</b>	<b>552.62</b>	<b>384.08</b>

### 37 - Income Tax Expense

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>i) Current tax</b>		
Current tax	197.21	115.82
<b>Total</b>	<b>197.21</b>	<b>115.82</b>
<b>ii) Deferred tax</b>		
Deferred tax	(4.10)	(26.41)
<b>Less: MAT Credit</b>	<b>(108.89)</b>	<b>(1.16)</b>
<b>Total</b>	<b>104.79</b>	<b>(25.25)</b>

### 38 - Earnings per Equity Share

The Company's Earnings Per Share (EPS) is determined based on the net profit / (loss) attributable to the shareholders of the company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during that particular year including share options, except where the result would be anti-dilutive.

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Net Profit / (Loss) attributable to equity shareholders</b>		
Profit for the year	810.27	438.90
Nominal value of equity shares (₹)	10.00	10.00
Weighted average number of equity shares for basic & diluted EPS	25,02,57,159	23,36,10,100
<b>Basic earnings per share (₹)</b>	32.38	18.79
<b>Diluted earnings per share (₹)</b>	32.38	18.79

### 39 - Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements:

#### Useful Life

In preparation of the financial statements, the Company makes judgments, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Significant judgments and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

#### Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### 40 - Commitments & Contingent Liabilities

#### (a) Capital commitments

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	228.51	152.25

#### (b) Contingent Liabilities

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Claims against the company not acknowledged as debt:</b>		
Excise Duty	8.77	7.09
Service Tax	0.47	0.39
Customs Duty	13.39	3.14
<b>Other money for which the company is contingently liable:</b>		
Unredeemed bank guarantees on behalf of the joint venture company	0.65	0.65
Other unredeemed bank guarantees	120.32	47.61
Bills discounted with banks	9.92	41.58
<b>Total</b>	<b>153.52</b>	<b>100.46</b>

Based on discussion with the solicitors / favourable decisions in similar cases / legal opinion taken by the Company, the management believes that the Company has good chance of success in above mentioned cases and hence no provision there against is considered necessary.

### 41 - Employee Benefit Obligations

#### The amount recognised as an expense for the Defined Contribution Plans as under :

(₹ in Crores)

Particulars	Current	
	For the year ended 31st March 2022	For the year ended 31st March 2021
Provident Fund	3.00	2.03
<b>Total</b>	<b>3.00</b>	<b>2.03</b>

#### Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied with the number of years of service.

The weighted average duration of the defined benefit plan obligations at the end of the reporting period is 5.86 years (31st March 2021 - 7.02 years)

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

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### Changes in defined benefit obligation

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Present value of obligation as at the beginning of the year	4.84	4.17
Interest cost	0.33	0.29
Current service cost	1.16	0.88
Benefits paid	(0.47)	(0.15)
Actuarial loss/(gain) on obligations	0.24	(0.35)
<b>Present value obligation as at the end of the year</b>	<b>6.10</b>	<b>4.83</b>

### Breakup of actuarial gain/loss:

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Actuarial (gain)/loss arising from change in financial assumption	0.07	0.06
Actuarial (gain)/loss arising from experience adjustment	0.17	(0.41)

### Reconciliation of present value of defined benefit obligation and the fair value of plan assets

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Present value obligation as at the end of the year	6.10	4.83
<b>Net Liability recognized in balance sheet</b>	<b>6.10</b>	<b>4.83</b>

### Amount recognized in the statement of profit and loss

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Current service cost	1.16	0.88
Interest cost	0.33	0.29
<b>Amount recognized in the statement of profit and loss</b>	<b>1.49</b>	<b>1.17</b>

### Amount recognized in the statement of Other Comprehensive Income

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Actuarial gain/(loss) for the year on planned benefit obligations	0.24	(0.35)
<b>Actuarial gain/(loss) at the end of the year</b>	<b>0.24</b>	<b>(0.35)</b>

### Actuarial assumptions

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Discount rate	7.10% p.a.	6.90% p.a.
Future salary increase	5.50% p.a.	5.50% p.a.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms of maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.



## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### Sensitivity analysis for gratuity liability

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	6.10	4.83
a) Impact due to increase of 1.00 %	5.58	4.42
b) Impact due to decrease of 1.00 %	6.70	5.32
<b>Impact of Change in Withdrawal Rate</b>		
Present value of obligation at the end of the year	6.10	4.83
a) Impact due to increase of 1.00 %	6.14	4.87
b) Impact due to decrease of 1.00 %	6.05	4.80
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	6.10	4.83
a) Impact due to increase of 1.00 %	6.71	5.33
b) Impact due to decrease of 1.00 %	5.56	4.41

### Leave

#### Changes in defined benefit obligation

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Present value of obligation as at the beginning of the year	0.96	-
Interest cost	0.07	-
Current service cost	0.40	0.30
Past Service Cost	-	0.66
Benefits paid	-	-
Actuarial loss/(gain) on obligations	0.03	-
<b>Present value obligation as at the end of the year</b>	<b>1.46</b>	<b>0.96</b>

#### Reconciliation of present value of defined benefit obligation and the fair value of plan assets

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Present value obligation as at the end of the year	1.46	0.96
<b>Net asset recognized in balance sheet</b>	<b>(1.46)</b>	<b>(0.96)</b>

#### Amount recognized in the statement of profit and loss

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Current service cost	0.40	0.30
Past Service Cost	-	0.66
<b>Amount recognized in the statement of profit and loss</b>	<b>0.40</b>	<b>0.96</b>

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### Actuarial assumptions

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Discount rate	7.10% p.a.	6.90% p.a.
Disability rate	5% of Mortality rate	5% of Mortality rate
Retirement Age	58 Years	58 Years
Future salary increase	5.50% p.a.	5.50% p.a.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms of maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

### 42 - Financial Instruments by Category

For amortised cost instruments, carrying value represents the best estimate of fair value.

(₹ in Crores)

Particulars	As at 31st March 2022				As at 31st March 2021			
	FVTPL	FVOCI	Amortised cost	Total	FVTPL	FVOCI	Amortised cost	Total
<b>Financial Assets</b>								
Investment in equity instruments	-	97.72	-	97.72	-	44.82	-	44.82
Investment in mutual funds	364.21	-	-	364.21	4.85	-	-	4.85
Investment in Bonds	-	-	95.54	95.54	-	-	4.96	4.96
Investment in Debentures	-	-	135.94	135.94	-	-	-	-
Investment in government securities	-	-	0.07	0.07	-	-	0.08	0.08
Trade receivables	-	-	103.88	103.88	-	-	298.61	298.61
Loans	-	-	0.15	0.15	-	-	9.28	9.28
Security deposit	-	-	17.96	17.96	-	-	10.04	10.04
Cash and cash equivalents	-	-	42.77	42.77	-	-	22.35	22.35
Other financial asset	-	-	13.76	13.76	-	-	9.51	9.51
Margin money	-	-	115.00	115.00	-	-	62.87	62.87
<b>Total</b>	<b>364.21</b>	<b>97.72</b>	<b>525.07</b>	<b>987.00</b>	<b>4.85</b>	<b>44.82</b>	<b>417.70</b>	<b>467.37</b>
<b>Financial Liabilities</b>								
Borrowings	-	-	178.60	178.60	-	-	316.26	316.26
Lease Liabilities	-	-	3.86	3.86	-	-	3.81	3.81
Trade payable	-	-	521.35	521.35	-	-	159.39	159.39
Security deposit	-	-	0.51	0.51	-	-	-	-
Other financial liabilities	-	-	47.22	47.22	-	-	21.38	21.38
<b>Total</b>	<b>-</b>	<b>-</b>	<b>751.54</b>	<b>751.54</b>	<b>-</b>	<b>-</b>	<b>500.84</b>	<b>500.84</b>

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### (a) Fair value hierarchy

#### Financial assets and liabilities measured at fair value - recurring fair value measurement

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Financial Assets</b>		
<b>Financial investments at FVOCI</b>		
Unquoted equity instruments	97.72	44.82
<b>Financial investments at FVTPL</b>		
Mutual Fund	364.21	4.85
<b>Total</b>	<b>461.93</b>	<b>49.67</b>

#### Financial assets and liabilities measured at fair value and amortised cost for which fair values are disclosed

(₹ in Crores)

Particulars	As at 31st March 2022			As at 31st March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Mutual funds	364.21	-	-	4.85	-	-
Bonds	95.54	-	-	4.96	-	-
Unquoted equity instruments	-	-	97.72	-	-	44.82
Investment in Government Securities	-	0.07	-	-	0.08	-
<b>Total</b>	<b>459.75</b>	<b>0.07</b>	<b>97.72</b>	<b>9.81</b>	<b>0.08</b>	<b>44.82</b>

**Level 1 :** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

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

**Level 3 :** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

### (b) Fair value of financial assets and liabilities measured at amortised cost, FVTPL and FVTOCI

(₹ in Crores)

Particulars	As at 31st March 2022		As at 31st March 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial Assets</b>				
<b>Carried at FVOCI</b>				
Investments in equity instruments	97.72	97.72	44.82	44.82
<b>Carried at amortised cost</b>				
Trade receivables	103.88	103.88	298.61	298.61
Loans	0.15	0.15	9.28	9.28
Security deposit	17.96	17.96	10.04	10.04
Cash and cash equivalents	42.77	42.77	22.35	22.35
Other financial asset	13.76	13.76	9.51	9.51
Margin money	115.00	115.00	62.87	62.87
Investment in Bonds	95.54	95.54	4.96	4.96
Investment in Debentures	135.94	135.94	-	-
Investment in Government Securities	0.07	0.07	0.08	0.08
<b>Carried at FVTPL</b>				
Investments in mutual funds	364.21	364.21	4.85	4.85
<b>Total</b>	<b>987.00</b>	<b>987.00</b>	<b>467.37</b>	<b>467.37</b>

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

(₹ in Crores)

Particulars	As at 31st March 2022		As at 31st March 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial Liabilities</b>				
<b>Carried at amortised cost</b>				
Borrowings	178.60	178.60	316.26	316.26
Lease Liabilities	3.86	3.86	3.81	3.81
Trade payable	521.35	521.35	159.39	159.39
Security deposit	0.51	0.51	-	-
Other financial liabilities	47.22	47.22	21.38	21.38
<b>Total</b>	<b>751.54</b>	<b>751.54</b>	<b>500.84</b>	<b>500.84</b>

### (c) Fair value measurements

- (i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.
- (ii) Investments carried at fair value are generally based on market price quotations. Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.
- (iii) Fair value of borrowings which have a quoted market price in an active market is based on its market price which is categorized as level 1. Fair value of borrowings which do not have an active market or are unquoted is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities which is categorized as level 2 in the fair value hierarchy.
- (iv) Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.
- (v) There have been no transfers between Level 1 and Level 2 for the period ended March 31, 2022 and period ended March 31, 2021.

### 43 - Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include investments, loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

#### (A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings in foreign currencies.

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Variable rate borrowings	137.71	304.10
Fixed rate borrowings	40.89	12.16

### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Crores)

Particulars	Effect on Profit before tax	
	For the year ended 31st March 2022	For the year ended 31st March 2021
Increase by 50 basis points (31 March 2022: 50 bps)	(0.69)	(1.52)
Decrease by 50 basis points (31 March 2022: 50 bps)	0.69	1.52

### b) Foreign currency risks

The Company's functional currency is Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the costs of imports, primarily in relation to raw materials. The Company is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency.

(₹ in Crores)

Nature of Item	Currency	For the year ended 31st March 2022		For the year ended 31st March 2021	
		Value In Foreign Currency	Value In INR	Value In Foreign Currency	Value In INR
Creditors	USD (\$)	5.13	388.59	1.49	108.87
Creditors	EURO (€)	0.08	6.73	-	-
Working Capital Demand Loan / Packing Credit	USD (\$)	-	-	1.49	109.43
Debtors	USD (\$)	0.02	1.78	2.50	183.92
Term Loan	USD (\$)	-	-	0.06	4.06

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit/(loss) before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Crores)

Particulars	Effect on Profit/(Loss) before tax	
	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>USD Sensitivity</b>		
Increase by 5% (31st March 2020 - 5%)	(19.34)	(1.92)
Decrease by 5% (31st March 2020 - 5%)	19.34	1.92

### B) Credit risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

The Company has a policy of dealing only with credit worthy counter parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents, derivatives and financial guarantees provided by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹987.00 Crores and ₹ 467.37 Crores as at March 31, 2022 and March 31, 2021 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments in debt securities and other financial assets.

#### (i) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount. Any Credit risk is curtailed with arrangements with third parties .

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10. The Company does not hold collateral as security.

#### (ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties . The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2022 and March 31, 2021 is the carrying amount as illustrated in Note 42.

### (C) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.



## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company has access to funds from debt markets through commercial paper programs, non-convertible debentures and other debt instruments. The Company invests its surplus funds in bank fixed deposit and in mutual funds, which carry no or low market risk.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments -

(₹ in Crores)

Particulars	Up to 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
<b>Period ended 31st March 2022</b>					
Contractual maturities of borrowings	178.06	0.28	0.26	-	178.60
Contractual maturities of lease obligations	0.83	0.97	1.41	0.65	3.86
Contractual maturities of other financial liabilities	47.73	-	-	-	47.73
Contractual maturities of trade payables	509.90	1.15	10.30	-	521.35
<b>Period ended 31st March 2021</b>					
Contractual maturities of borrowings	315.49	0.26	0.51	-	316.26
Contractual maturities of lease obligations	0.58	0.56	1.96	0.71	3.81
Contractual maturities of other financial liabilities	21.38	-	-	-	21.38
Contractual maturities of trade payables	154.80	0.47	4.12	-	159.39

### 44 - Ind As 116

(i) Carrying value of Right-of-use assets by class:

The Company has lease contracts for land and buildings used in its operations. For Buildings the lease term generally varies between 2 to 5 years and for land it can extend upto 90 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

Set out below are the carrying amounts of right-of-use assets recognised and the movement during the period: (₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>As at 1st April 2021</b>	22.25	22.52
<b>Addition during the year</b>	-	-
Leasehold Land	-	-
Leasehold Building	0.74	0.71
<b>Depreciation Expense</b>	-	-
Leasehold Land	0.25	0.25
Leasehold Building	0.86	0.73
<b>As at 31st March 2022</b>	<b>21.88</b>	<b>22.25</b>

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

Set out below are the carrying amounts of lease liabilities and the movements during the year:

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>As at 1st April 2021</b>	3.81	3.60
Add: Additions during the year	0.74	0.71
Add: Finance Cost	0.40	0.37
Less: Rent	1.09	0.87
<b>As at 31st March 2022</b>	<b>3.86</b>	<b>3.81</b>

### 45 - COVID 19 Financial Impact

In March 2020, the WHO declared COVID - 19 outbreak as a pandemic which continues to spread across the country. On 25th March 2020, the Government of India had declared this pandemic a health emergency and ordered temporary closure of all non-essential businesses and imposed restrictions on movement of goods/material, travel etc. The company has been allowed to continue its operations as majority of its plant falls under continuous process industry. However, disruptions of businesses world wide and economic slowdown may have its eventual impact on the company. The company has made initial assessment of likely adverse impact on economic environment in general and financial risk on account of COVID-19. Further, Reserve Bank of India has granted relief to borrowers by way of moratorium of interest and principal installments falling due to banks and financial institutions till August 2020. This will largely mitigate the stress cash flows of the company during the period of COVID-19. In assessing the recoverability of Trade Receivables measured at amortised cost and inventories at realisable value as stated in the standalone financial statements, the Company has considered internal and external information upto the date of approval of these financial results. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of this pandemic may be different from that estimated as at the date of approval of these financial results and the company will continue to closely monitor any material changes in future economic conditions.

On Long term basis also, the company does not anticipate any major challenge in meeting its financial obligations. The management has estimated its future cash flows which indicate no major change in financial performance as estimated prior to COVID-19 impact.

### 46 - Related Party Disclosure (As per Ind AS-24 - Related Party Disclosures)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Subsidiary Company</b>	Damodar Aluminium Private Limited (Upto 09/09/2021) Renaissance Hydro Power Private Limited (Upto 09/09/2021) Singhbhum Steel & Power Private Limited (Upto 09/09/2021) Kalinga Infra Projects Limited (Upto 09/09/2021) Shyam Sel and Power Limited	Damodar Aluminium Private Limited Renaissance Hydro Power Private Limited Singhbhum Steel & Power Private Limited Kalinga Infra Projects Ltd. Shyam Sel and Power Limited
<b>Step-down Subsidiary Company</b>	Hrashva Storage and Warehousing Private Limited. Shyam Energy Limited Taurus Estates Private Limited Whispering Developers Private Limited Meadow Housing Private Limited Platinum Minmet Private Limited (w.e.f 01/07/2021) Shree Venkateshwara Electrocast Private Limited (w.e.f 31/08/2021) Nirjhar Commercials Private Limited Shree Sikhar Iron & Steel Private Limited	Hrashva Storage and Warehousing Private Limited Shyam Energy Limited Taurus Estates Private Limited Whispering Developers Private Limited Meadow Housing Private Limited Nirjhar Commercials Private Limited Shree Sikhar Iron & Steel Private Limited

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Associates</b>	Meghana Vyapar Private Limited Kecons Tradecare Private Limited (Upto 09/09/2021) Kolhan Complex Private Limited (Upto 09/09/2021)	Meghana Vyapar Private Limited Kecons Tradecare Private Limited Kolhan Complex Private Limited
<b>Joint Venture</b>	MJSJ Coal Limited	MJSJ Coal Limited
<b>Enterprises over which Key Management Personnel (KMP) are able to exercise control /significant influence with whom there were transactions/ balance during the year:</b>	Platinum Minmet Private Limited(upto 30/06/2021) Dorite Tracon Private Limited Shyam Solar Appliance Private Limited Narantak Dealcomm Limited Shyam Ferro Alloys Limited Swarnrekha Abasan Private Limited Subham Capital Private Limited Subham Buildwell Private Limited Toplight Mercantiles Private Limited Kalpataru Housefin & Trading Private Limited  Brij Bhusan Agarwal & Sons HUF Elysian Beautification Private Limited	Platinum Minmet Private Limited Dorite Tracon Private Limited Shyam Solar Appliance Private Limited Narantak Dealcomm Limited Shyam Ferro Alloys Limited Swarnrekha Abasan Private Limited Sunglow Complex Private Limited Subham Buildwell Private Limited Toplight Mercantiles Private Limited Kalpataru Housefin & Trading Private Limited  Brij Bhusan Agarwal & Sons HUF Elysian Beautification Private Limited
<b>Key Management Personnel:</b>	Shri Brij Bhushan Agarwal (Vice Chariman and Managing Director) Shri Sanjay Kumar Agarwal (Joint Managing Director)  Shri Bhagwan Shaw (Director) Shri Dev Kumar Tiwari (Director) Shri Deepak Kumar Agarwal (Director) Shri Birendra Kumar Jain(Company Secretary)  Shri Shree Kumar Dujari (Chief Financial Officer)  Shri Mahabir Prasad Agarwal (Director) Shri Venkata Krishna Nageswara Rao Majji (Director)  Shri Ashok Kumar Jaiswal (Director) Shri Yudhvir Singh Jain (Director) Kishan Gopal Baldwa (Director) Ajay Choudhury (Director) Rajni Mishra (Director)	Shri Brij Bhushan Agarwal (Managing Director and Vice Chairman) Shri Sanjay Kumar Agarwal (Joint Managing Director)  Shri Bhagwan Shaw (Director) Shri Dev Kumar Tiwari (Director) Shri Deepak Kumar Agarwal (Director) Shri Birendra Kumar Jain(Company Secretary)  Shri Shree Kumar Dujari (Chief Financial Officer)  Mahabir Prasad Agarwal (Director) Shri Venkata Krishna Nageswara Rao Majji (Director)  Shri Ashok Kumar Jaiswal (Director) Shri Yudhvir Singh Jain (Director) Kishan Gopal Baldwa (Director) Ajay Choudhury (Director) Kiran Vimal Agarwal (Director) (upto 12.02.2021) Rajni Mishra (Additional Director) (w.e.f. 12.02.2021)

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Relatives of Key Management Personnel:</b>	<b>Relative's Name - Relation</b>	<b>Relative's Name - Relation</b>
	Mrs. Sumitra Devi Agarwal - Wife of Shri Mahabir Prasad Agarwal	Mrs. Sumitra Devi Agarwal - Wife of Shri Mahabir Prasad Agarwal
	Mrs. Mittu Agarwal - Wife of Mr. Brij Bhushan Agarwal	Mrs. Mittu Agarwal - Wife of Mr. Brij Bhushan Agarwal
	Mrs. Anita Jhunjhunwala - Daughter of Mr. Mahabir Prasad Agarwal	Mrs. Anita Jhunjhunwala - Daughter of Mr. Mahabir Prasad Agarwal
	Mrs. Bina Devi Agarwal - Wife of Mr. Bajrang Lal Agarwal	Mrs. Bina Devi Agarwal - Wife of Mr. Bajrang Lal Agarwal
	Mrs. Pooja Agarwal - Wife of Mr. Sanjay Kumar Agarwal	Mrs. Pooja Agarwal - Wife of Mr. Sanjay Kumar Agarwal
	Mr. Mahabir Prasad Agarwal - Father of Mr. Brij Bhushan Agarwal	Mr. Mahabir Prasad Agarwal - Father of Mr. Brij Bhushan Agarwal
	Mrs. Sangeeta Tiwari - Wife of Mr. Dev Kumar Tiwari	Mrs. Sangeeta Tiwari - Wife of Mr. Dev Kumar Tiwari
	Mrs. Vandana Dujari - Wife of Mr. Shree Kumar Dujari	Mrs. Vandana Dujari - Wife of Mr. Shree Kumar Dujari
	Mr. Subham Agarwal - Son of Mr. Brij Bhushan Agarwal	Mr. Subham Agarwal - Son of Mr. Brij Bhushan Agarwal
	Mr. Sheetij Agarwal - Son of Mr. Brij Bhushan Agarwal	Mr. Sheetij Agarwal - Son of Mr. Brij Bhushan Agarwal
	Mr. Divyansh Agarwal - Son of Mr. Sanjay Agarwal	Mr. Divyansh Agarwal - Son of Mr. Sanjay Agarwal

Disclosure of Related Party Transactions provides information about the Company's structure. The following tables provide the total amount of transactions that have been entered into with related parties for the relevant financial year.

### Terms and conditions of transactions with related parties:

The sales and purchase from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balance at the year-end are unsecured and interest free and settlement occurs in cash. For the period ended 31st March 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31st March 2021: **NIL**). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(₹ in Crores)

Type of Transactions	Subsidiary, Associates and Joint Venture		Enterprises over which Key Management Personnel and / or their relatives have significant influence		TOTAL	
	For the period ended		For the period ended		For the period ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>1. Sale of Goods</b>						
Shyam Sel & Power Limited	57.67	122.91	-	-	57.67	122.91
Shyam Sel & Power Limited (High Sea Sale)	172.14	-	-	-	172.14	-
Shyam Ferro Alloys Limited	-	1.63	-	-	-	1.63
<b>2. Sale of Licence</b>						
Shyam Sel & Power Limited	-	0.21	-	-	-	0.21

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

(₹ in Crores)

Type of Transactions	Subsidiary, Associates and Joint Venture		Enterprises over which Key Management Personnel and / or their relatives have significant influence		TOTAL	
	For the period ended		For the period ended		For the period ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>3. Purchase of Licence</b>						
Shyam Sel & Power Limited	-	0.15	-	-	-	0.15
<b>4. Purchase of Goods</b>						
Kalinga Infra Projects Limited	7.06	-	-	-	7.06	-
Shyam Sel & Power Limited	133.03	44.88	-	-	133.03	44.88
<b>5. Rent Paid</b>						
Hrashva Storage and Warehousing Private Limited	0.02	0.02	-	-	0.02	0.02
<b>6. Transactions with KMP and their relatives</b>						
Salaries and other benefits	-	-	4.18	3.20	4.18	3.20
Advances	-	-	0.90	-	0.90	-
<b>7. Sitting fees paid to independent directors</b>						
Mr. Ashok Kumar Jaiswal	-	-	0.04	-	0.04	-
Mr. Yudhvir Singh Jain	-	-	0.03	-	0.03	-
Mr. Ajay Choudhury	-	-	0.02	-	0.02	-
Mr. Venkat Krishna Nageshwara Rao Maji	-	-	0.01	-	0.01	-
Mr. Kishan Gopal Baldwa	-	-	0.03	-	0.03	-
Mr. Rajni Mishra	-	-	0.02	-	0.02	-
<b>8. Purchase of Investments</b>						
Shyam Sel & Power Limited	0.10	-	-	-	0.10	-
<b>9. Sale of Investments</b>						
Narantak Dealcomm Limited	-	-	14.88	-	14.88	-
Dorite Tracon Private.Limited	-	-	4.57	-	4.57	-
Shyam Sel & Power Limited	0.30	-	-	-	0.30	-
<b>10. Reimbursement of Expenses</b>						
Narantak Dealcomm Limited	-	-	0.00	-	0.00	-
Kalinga Infra Projects Limited	0.00	0.00	-	-	0.00	0.00
Hrashva Storage and Warehousing Private Limited	-	0.00	-	-	-	0.00
Shyam Sel and Power Limited	5.76	-	-	-	5.76	-
Elysian Beautification Pvt Ltd	-	-	0.37	0.03	0.37	0.03
<b>11. Advances Given/Refunded</b>						
Shyam Sel and Power Limited	406.88	498.54	-	-	406.88	498.54
Meghana Vyaapar Private Limited	0.00	2.65	-	-	0.00	2.65
Shyam Ferro Alloys Limited	-	-	50.14	0.38	50.14	0.38
Shyam Energy Limited	0.07	0.03	-	-	0.07	0.03

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

(₹ in Crores)

Type of Transactions	Subsidiary, Associates and Joint Venture		Enterprises over which Key Management Personnel and / or their relatives have significant influence		TOTAL	
	For the period ended		For the period ended		For the period ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>12. Advances Received back/taken</b>						
Shyam Sel and Power Limited	513.56	530.63	-	-	513.56	530.63
Meghana Vyaapar Private Limited	0.00	1.00	-	-	0.00	1.00
Shyam Ferro Alloys Limited	-	-	50.14	0.06	50.14	0.06
<b>13. Loans Received</b>						
Narantak Dealcomm Limited	-	-	20.00	49.11	20.00	49.11
Dorite Tracon Private Limited	-	-	-	9.13	-	9.13
Meghana Vyaapar Private Limited	-	-	-	6.00	-	6.00
Subham Capital Private Limited	-	-	-	11.00	-	11.00
<b>14. Loans Repaid</b>						
Narantak Dealcomm Limited	-	-	20.00	49.93	20.00	49.93
Meghana Vyaapar Private Limited	-	-	-	6.02	-	-
Subham Capital Private Limited	-	-	-	11.31	-	11.31
Dorite Tracon Private Limited	-	-	-	9.40	-	9.40
<b>15. Loans Given</b>						
Shyam Sel and Power Limited	256.00	-	-	-	256.00	-
Elysian Beautification Pvt Ltd	-	-	-	0.25	-	0.25
<b>16. Loans Received Back</b>						
Shyam Sel and Power Limited	256.00	-	-	-	256.00	-
<b>17. Interest on Loan Given</b>						
Shyam Sel and Power Limited	5.79	-	-	-	5.79	-
<b>18. Interest on Loan Taken</b>						
Narantak Dealcomm Limited	-	-	0.02	0.82	0.02	0.82
Meghana Vyaapar Private Limited	-	-	-	0.02	-	0.02
Subham Capital Private Limited	-	-	-	0.31	-	0.31
Dorite Tracon Private.Limited	-	-	-	0.27	-	0.27
<b>19. Dividend Received</b>						
Shyam Sel and Power Limited	61.78	44.13	-	-	61.78	44.13
<b>20. Dividend Paid</b>						
Narantak Dealcomm Limited	-	-	36.64	10.00	36.64	10.00
Mahabir Prasad Agarwal	-	-	0.00	0.00	0.00	0.00
Brij Bhushan Agarwal	-	-	16.77	4.31	16.77	4.31
Mittu Agarwal	-	-	0.82	0.21	0.82	0.21
Kirandevi Vimal Agrawal	-	-	0.03	0.01	0.03	0.01
Sangeeta Agarwal	-	-	0.03	0.01	0.03	0.01
Brij Bhusan Agarwal & Sons HUF	-	-	1.62	0.42	1.62	0.42
Subham Buildwell Pvt. Ltd.	-	-	50.79	13.43	50.79	13.43
Toplight Mercantiles Pvt. Ltd.	-	-	0.50	0.13	0.50	0.13



## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

(₹ in Crores)

Type of Transactions	Subsidiary, Associates and Joint Venture		Enterprises over which Key Management Personnel and / or their relatives have significant influence		TOTAL	
	For the period ended		For the period ended		For the period ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Kalpataru Housefin & Trading Private Limited	-	-	15.41	4.11	15.41	4.11
Anita Jhunjhunwala	-	-	0.03	0.01	0.03	0.01
Bajrang Lal Agarwal	-	-	0.00	0.00	0.00	0.00
Sanjay Agarwal	-	-	0.02	0.01	0.02	0.01
Subham Capital Private Limited	-	-	29.37	7.77	29.37	7.77
Dorite Tracon Private Limited	-	-	10.24	2.81	10.24	2.81

### 21. Balances outstanding on account of Receivables/(Payable)

Damodar Aluminum Pvt Ltd.	0.01	0.10	-	-	0.01	0.10
Elysian Beautification Pvt Ltd	-	-	-	0.27	-	0.27
Shyam Energy Limited	0.12	0.05	-	-	0.12	0.05
Hrashva Storage and Warehousing Private Limited	-	(0.00)	-	-	-	(0.00)
Shyam Ferro Alloys Limited	-	-	-	1.61	-	1.61
Narantak Dealcomm Limited	-	-	-	(0.01)	-	(0.01)

Note - 0.00 represents figures less than 1 lakh.

### 47 - Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company. The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term bank borrowings and issue of non-convertible debt securities. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Borrowings (Note - 19 and 24)	178.60	316.26
Trade payables (Note-25)	521.35	159.39
Less: Cash and cash equivalents (Note-11)	42.77	22.35
Less: Current investments (Note - 9)	355.06	9.81
Net debt	<b>302.12</b>	<b>443.49</b>
Equity	255.08	233.61
Other Equity	3,395.10	2,123.56
	<b>3,650.18</b>	<b>2,357.17</b>
Capital and net debt	12.08	5.32
Gearing ratio	7.64%	15.84%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022 and year ended March 31, 2021.

### 48 - Statutory Auditors' remuneration (excluding goods and service tax) and expenses :

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Statutory Audit Fees	0.13	0.13
Tax Audit Fees	0.03	0.03
Fees for Other Services	0.12	0.02
<b>Total</b>	<b>0.28</b>	<b>0.18</b>

### 49 -Additional Information

#### i) Expenditure in Foreign Currency (on accrual basis)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Travelling expenses	0.05	-
Demurrage Charges on Import of Raw Materials	-	0.21
Raw Materials	246.26	54.16
Interest on Loan	0.17	1.45

#### ii) Earnings in Foreign Currency (on accrual basis)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Exports (F.O.B. value)	335.26	381.79

50 - The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 34.944% and the reported tax expense in profit or loss are as follows :-

### Effective Tax Reconciliation

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Accounting profit before income tax</b>	1,112.27	529.47
Enacted tax rate in India	34.94%	34.94%
Computed expected tax expenses	388.67	185.02
Tax holidays	(212.62)	(193.18)
Income exempted from tax	(61.78)	(44.13)
Other Adjustments	187.73	142.86
<b>Income Tax recognised in Profit and Loss account</b>	<b>302.00</b>	<b>90.57</b>

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### 51 - Details of CSR expenditure:

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
i) Amount required to be spent by the company during the year	6.35	4.18
ii) Amount of expenditure incurred	17.98	6.23
iii) Shortfall at the end of the year	-	-
iv) Total of previous years shortfall (cumulative)	-	-
v) Reason for shortfall	NA	NA
vi) Amount of CSR expenditure carried forward for set off	11.63	-
vii) Nature of CSR activities	Eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects.	
viii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard*	15.21	-
ix) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

\*The amounts have been transferred to the implementing agency for projects which will be completed in the tenure of next three years.

### 52 - Value of imports calculated on CIF Basis

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Raw Materials	246.26	54.16

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### 53 - Accounting Ratios

Name of the Ratio	Numerator	Denominator	FY 2021-22	FY 2020-21	Variance #
Current Ratio (in times)	Current Assets	Current Liabilities	2.35	1.63	44%
Debt - Equity Ratio (in times)	Total Debt	Equity	0.05	0.13	-64%
Debt Service Coverage Ratio (in times)	Earnings available for debt service	Total Debt Service	246.92	1.94	12612%
Return on Equity (in %)	Net Profit - Preferred Dividends	Average Shareholder Equity	27%	20%	33%
Inventory Turnover Ratio (in times)	Sales	Average Inventory	6.04	4.62	31%
Trade Receivable Turnover Ratio (in times)	Net Sales	Average Accounts Receivables	23.09	16.05	44%
Trade Payable Turnover Ratio (in times)	Net Purchases	Average Trade Payables	10.21	6.12	67%
Net Capital Turnover Ratio (in times)	Net Sales	Working Capital	3.90	6.84	-43%
Net Profit Ratio (in %)	Net Profit	Net Sales	17%	15%	20%
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital employed	26%	19%	36%
Return on Investment (in %)	Income from Investments	Average Investments	4.63%	22.28%	-79%

**# Explanation for Variance more than 25%** - Higher revenue and higher purchases as compared to the previous financial year and also substantial debt repayment during the current financial year has led to the variance in ratios more than 25% in FY 2021-22 as compared to the FY 2020-21.

#### Definitions:

- Earning available for debt service = Profit before taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of Fixed assets etc
- Debt service = Interest & Lease Payments + Principal Repayments
- Average inventory = (Opening inventory balance + Closing inventory balance) / 2
- Net sales = Revenue from Operations less Other Operating Revenue
- Average trade receivables = (Opening trade receivables balance + Closing trade receivables balance) / 2
- Net purchases = Gross Purchases - Purchase Return
- Average trade payables = (Opening trade payables balance + Closing trade payables balance) / 2
- Working capital = Current assets - Current liabilities.
- Earning before interest and taxes = Profit before exceptional items and tax + Finance costs - Other Income
- Capital Employed = Tangible Net Worth\* + Total Debt + Deferred Tax Liability  
\* Net worth means the aggregate of equity share capital and other equity inclusive of net gain consequent to fair valuation of certain assets on transition to Ind AS excluding intangible assets.
- Income from investment = Net gain/loss on sale/fair value changes of Mutual Fund.

### 54 - Segment Reporting

As per Ind AS 108 "operating segments", specified under section 133 of the Companies Act, 2013, the Company is predominantly engaged in a single reportable segment of Iron and Steel.

## Notes to the Standalone Financial Statements

for the period ended 31st March, 2022

### 55 - Long Term and Derivative Contract

The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

### 56 - Disclosure of Transactions with Struck off Companies

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year

### 57 - Investor Education and Protection Fund

There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

### 58 - Other Disclosures

#### Additional Regulatory Information

Amended Schedule III requires additional regulatory information to be provided in financial statements.

- a) **Details of Benami Property held:** The Company does not hold any Benami Property and hence there were no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 and the Rules made there under, hence no disclosure is required to be given as such.
- b) **Wilful Defaulter:** The Company has not been declared as wilful defaulter as at the date of the balance sheet or on the date of approval of the financial statements, hence no disclosure is required as such.
- c) **Registration of Charges or Satisfaction with Registrar of Companies (ROC):** There are no charges against the companies which are yet to be registered or satisfaction yet to be registered with ROC beyond the statutory period, hence no disclosures are required as such.
- d) **Compliance with number of layers of companies:** The Company does not have any investment in any downstream companies for which it has to comply with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017, hence no disclosure is required as such.
- e) **Utilization of Borrowings:** There has been no discrepancy in utilization of borrowed funds.
- f) **Details of Crypto Currency or Virtual Currency:** The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year, hence disclosure requirements for the same is not applicable.

### Note 59

There are some parties from whom the Company has receivables. There is a mismatch in reconciliation of such receivables and the same is under review.

### Note 60

Figures of previous years have been regrouped / rearranged / rectified wherever necessary to make them comparable with the current periods figures.

As per our report of even date attached

**For S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number: 306033E / E300272

**Vivek Agarwal**

Partner

Membership No: 301571

Place: Kolkata

Date: The 18th Day of May, 2022

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

**Brij Bhushan Agarwal**

Vice Chairman and Managing Director

DIN 01125056

**Shree Kumar Dujari**

Chief Financial Officer

**Sanjay Kumar Agarwal**

Joint Managing Director

DIN 00232938

**Birendra Kumar Jain**

Company Secretary

MRN A8305



**Financial Section**





## Independent Auditor's Report

To the members of **Shyam Metals and Energy Limited**

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **SHYAM METALICS AND ENERGY LIMITED** (hereinafter referred to as the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statements and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditors on separate financial statements of other subsidiaries as was audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (the "Act") 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 Group as at March 31, 2022 and its consolidated profit, total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Emphasis of Matter

We draw attention to Note 46 to the consolidated financial statements regarding the impact of COVID-19 on the financial statements. The group has not considered the possible effects that may result from the pandemic relating to COVID-19 as same is not material. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information and economic forecasts. The impact of COVID-19 on the consolidated financial statements may differ from that estimated as at the date of approval of these financial statements and the group will continue to closely monitor any material changes to future economic conditions.

Our opinion is not modified in respect of this matter.

#### Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the "Auditor's Responsibilities for the Audit of the consolidated financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

## Independent Auditor's Report

Key audit matter	How our audit addressed the key audit matter
<b>Revenue from Sale of Goods [Refer to Note 30 to the consolidated financial statements]</b>	
<p>The Group recognizes revenues when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. In determining the sales price, the Group considers the effects of rebates and discounts (variable consideration). The terms of arrangements in case of domestic and exports sales, including the timing of transfer of control, the nature of discount and rebates arrangements, delivery specifications including incoterms, create complexity and judgment in determining sales revenues. The risk is, therefore, that revenue is not recognized in accordance with terms of Ind AS 115 'Revenue from contracts with customers', and accordingly, it was determined to be a key audit matter in our audit of the consolidated financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Considered the adequacy of the Group's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'.</li> <li>• Assessed the design and tested the operating effectiveness of internal financial controls related to revenue recognition.</li> <li>• Performed sample tests of individual sales transaction and traced to sales invoices and other related documents. In respect of the samples selected, tested that the revenue has been recognized in accordance with Ind AS 115.</li> <li>• Selected sample of sales transactions made pre and post-year end, agreed the period of revenue recognition to underlying documents.</li> <li>• Selected samples of rebates and discounts during the year, compared them with the supporting documents and performed re-calculation of those variable considerations as per scheme documents.</li> <li>• Assessed the relevant disclosures made in the consolidated financial statements.</li> </ul>
<b>The Group's Exposure to Litigations Risk and related disclosure of Contingent Liabilities [Refer to Note 41 (b) to the consolidated financial statements]</b>	
<p>As at March 31, 2022, the Group has exposures towards litigations relating to different laws, regulations and interpretations. Significant management judgement is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognised or a disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate. As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, related legal advice including those relating to interpretation of laws / regulations, it is considered to be a Key Audit Matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Understood the process followed by the Group for assessment of litigations and determination of Contingent Liabilities relating to relevant laws and regulations.</li> <li>• Inquired with the management for recent developments and the status of the material litigations which were reviewed and noted.</li> <li>• Examined the assumptions used in estimation of the tax provision and the possible outcome of the disputes underlying calculations supporting the contingent liabilities/other significant litigations disclosed in the consolidated financial statements.</li> <li>• Evaluated management's assessments and position by understanding precedents set in similar cases and assessed the reliability of the management's past estimates/judgements.</li> <li>• Assessed the adequacy of the Group's disclosures in the consolidated financial statements.</li> </ul> <p>Based on the above work performed, the assessment in respect of litigations and related disclosures relating to contingent liabilities/other significant litigations in the Consolidated Financial Statements is considered to be reasonable.</p>

### Information other than the Consolidated Financial statements and Auditor's Report Thereon

The Parent's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Parent's Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our

## Independent Auditor's Report

knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, including consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of each company.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

## Independent Auditor's Report

disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which has been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled "Other Matter" in this audit report.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### Other Matter

The accompanying Statement includes the audited financial statements and other financial information, in respect of:

- 14 subsidiaries (including both direct and indirect), whose financial statements include total assets of ₹ 4639.33 crores as at March 31, 2022, total revenues of ₹ 5776.32 crores, total net profit after tax of ₹ 981.35 crores and total comprehensive income of ₹ 984.10 crores, for the year ended March 31, 2022, as considered in the Consolidated Financial Statements which have been audited by their respective independent auditors.
- 3 associates and 3 joint ventures (including both direct and indirect), whose financial statements include Group's share of net profit of ₹ 0.40 crores for the year ended March 31, 2022, as considered in the Consolidated Financial Statements whose financial statements and other financial information have been audited by their respective independent auditors.

The independent auditor's report on the financial statements and on the other financial information of these entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

Our opinion on the consolidated financial statements, our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of

## Independent Auditor's Report

Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

- 2) As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements, as noted in the "Other Matter" paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books and the report of other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - (e) On the basis of the written representations received from the directors of the Parent as on March 31, 2022 taken on record by the Board of Directors and the reports of other statutory auditors, none of the directors of the Group is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to the consolidated financial statements of the Parent and its subsidiaries and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - (g) In our opinion and to the best of our information and in accordance to the explanations given to us, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Parent and its subsidiaries to its directors in accordance with the provisions of section 197 read with the Schedule V to the Act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and on the consideration of report of the other auditors on separate financial statements, as noted in the "Other Matter" paragraph:
    - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 41 (b) to the consolidated financial statements;
    - (ii) The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contract;
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
    - (iv) (A) The Respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the auditors of such subsidiaries respectively 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 Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ["Ultimate Beneficiary(ies)"] or provide any guarantee, security or the like on behalf of the Ultimate Beneficiary(ies);

## Independent Auditor's Report

- (B) The Respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entity ["Funding Parties"], with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party(ies) ["Ultimate Beneficiary(ies)"] or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (C) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the management representations set out in sub-clause (A) and (B) above, contain any material misstatement.
- (v) As stated in Note 17 to the consolidated financial statements:
  - (A) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with Section 123 of the Act, as applicable.
  - (B) The interim dividend declared and paid by the Parent during the year and until the date of this report is in compliance with Section 123 of the Act.
  - (C) The Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For **S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP**

Chartered Accountants

Firm Registration No. – 306033E/E300272

**Vivek Agarwal**

Partner

Membership No: 301571

UDIN: 22301571AJFCXD5985

Place: Kolkata

Date: 18<sup>th</sup> day of May, 2022



## Annexure 'A'

to the Independent Auditor's Report

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Shyam Metalics and Energy Limited of even date)**

According to the information and explanations given to us, and based on the Companies (Auditor's Report) Order (CARO) reports issued by and the information provided by the auditors of the companies included in the consolidated financial statements of the Company, there have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For **S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP**

Chartered Accountants

Firm Registration No. – 306033E/E300272

**Vivek Agarwal**

Partner

Membership No: 301571

UDIN: 22301571AJFCXD5985

Place: Kolkata

Date: 18<sup>th</sup> day of May, 2022

## Annexure 'B'

to the Independent Auditor's Report

**(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Shyam Metalics and Energy Limited of even date)**

**Report on the Internal Financial Controls Over Financial Reporting with reference to the aforesaid consolidated financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

In conjunction with our audit of the consolidated financial statements as of and for the year ended 31<sup>st</sup> March 2022, we have audited the internal financial controls over financial reporting of **SHYAM METALICS AND ENERGY LIMITED** (hereinafter referred to as "the Parent"), with reference to consolidated financial statements of the parent and such companies incorporated in India under the Companies Act, 2013, which are its subsidiary companies, as of that date.

### Management's Responsibility for Internal Financial Controls

The respective company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective 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 (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

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

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

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

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the consolidated 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 consolidated financial statements.

## Annexure 'B'

to the Independent Auditor's Report

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion and to the best of our information and according to explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below, the Parent and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31<sup>st</sup> March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note")

### Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to such companies incorporated in India which are its subsidiary companies, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our Opinion is not modified in respect of the above matter.

### For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP

Chartered Accountants

Firm Registration No. – 306033E/E300272

### Vivek Agarwal

Partner

Membership No: 301571

UDIN: 22301571AJFCXD5985

Place: Kolkata

Date: 18<sup>th</sup> day of May, 2022

## Consolidated Balance Sheet

as at 31st March, 2022

(₹ in Crores)

Particulars	Note no.	As at 31st March, 2022	As at 31st March, 2021
<b>Assets</b>			
<b>Non-Current Assets</b>			
a) Property, Plant and Equipment	2	2,383.52	1,758.87
b) Right-of-use assets	2A	66.01	42.69
c) Capital work-in-progress	3	768.28	506.40
d) Intangible Assets	4	5.09	0.65
e) Investments in associates and joint ventures	5	1.57	11.95
f) Financial Assets			
i) Investments	5a	348.68	54.63
ii) Other Financial Assets	6	38.96	46.12
g) Other Non-current Assets	7	139.19	252.47
h) Deferred Tax Assets (Net)	22	-	6.77
<b>Total non-current assets (A)</b>		<b>3,751.30</b>	<b>2,680.55</b>
<b>Current Assets</b>			
a) Inventories	8	2,057.03	1,030.23
b) Financial Assets			
i) Investments	9	685.68	215.24
ii) Trade Receivables	10	376.10	533.55
iii) Cash and Cash equivalents	11	91.90	163.84
iv) Bank balances other than (iii) above	12	233.98	159.94
v) Loans	13	172.89	16.18
vi) Other Financial Assets	14	105.83	81.02
c) Current tax assets (net)	15	37.25	0.15
d) Other Current Assets	16	913.06	539.22
<b>Total current assets (B)</b>		<b>4,673.72</b>	<b>2,739.37</b>
<b>Total Assets (A + B)</b>		<b>8,425.02</b>	<b>5,419.92</b>
<b>Equity and Liabilities</b>			
a) Equity Share Capital	17	255.08	233.61
b) Other Equity	18	5,579.59	3,400.41
<b>Total Equity (A)</b>		<b>5,834.67</b>	<b>3,634.02</b>
<b>Non Controlling Interest (B)</b>		<b>3.99</b>	<b>4.35</b>
<b>Non-Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	19	125.83	120.25
ii) Lease Liabilities	24 A	5.96	6.01
iii) Others Financial Liabilities	20	12.42	9.73
b) Provisions	21	14.01	10.59
c) Deferred Tax Liabilities (Net)	22	107.28	-
d) Other Non-current Liabilities	23	171.01	203.04
<b>Total non-current liabilities (C)</b>		<b>436.52</b>	<b>349.62</b>
<b>Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	24	407.84	669.15
ii) Lease Liabilities	24 A	3.41	0.58
iii) Trade Payables			
(a) Total Outstanding dues of micro enterprises and small enterprises	25	7.84	3.92
(b) Total Outstanding dues of other than micro enterprises and small enterprises		1,186.10	363.12
iv) Other Financial Liabilities	26	200.31	63.21
b) Other Current Liabilities	27	304.41	295.61
c) Provisions	28	29.75	29.28
d) Current Tax Liabilities (Net)	29	10.18	7.06
<b>Total current liabilities (D)</b>		<b>2,149.85</b>	<b>1,431.93</b>
<b>Total Equity and Liabilities (A + B + C + D)</b>		<b>8,425.02</b>	<b>5,419.92</b>

Significant Accounting Policies

Notes forming part of the financial statements

As per our report of even date attached

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm Registration Number: 306033E / E300272

Vivek Agarwal

Partner

Membership No: 301571

Place: Kolkata

Date : The 18th Day of May, 2022

1

1 to 58

For and on behalf of the Board of Directors

Brij Bhushan Agarwal

Vice Chairman and Managing Director

DIN 01125056

Shree Kumar Dujari

Chief Financial Officer

Sanjay Kumar Agarwal

Joint Managing Director

DIN 00232938

Birendra Kumar Jain

Company Secretary

MRN A8305

## Consolidated Statement of Profit and Loss

as at 31st March, 2022

(₹ in Crores)

Particulars	Notes	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>INCOME</b>			
I Revenue from operations	30	10,393.96	6,297.07
II Other Income	31	60.01	23.72
III <b>Total Income (I+II)</b>		<b>10,453.97</b>	<b>6,320.79</b>
<b>EXPENSES</b>			
IV Cost of material consumed	32	6,460.87	3,716.74
Purchase of stock-in-trade		32.54	67.58
Change in inventories of finished goods, stock in trade and work-in-progress	33	(180.87)	48.98
Employee benefits expense	34	246.56	188.14
Finance costs	35	23.16	62.46
Depreciation and amortisation expense	36	272.40	300.36
Other expenses	37	1,235.12	881.86
<b>Total Expense(IV)</b>		<b>8,089.78</b>	<b>5,266.12</b>
V <b>Profit/(loss) before Share in Profit/(Loss) of Associate and Joint Venture and tax (III-IV)</b>		<b>2,364.19</b>	<b>1,054.67</b>
VI Share in Profit/(Loss) of Associate and Joint Venture		0.14	0.27
<b>Profit/(Loss) before tax (V+VI)</b>		<b>2,364.33</b>	<b>1,054.94</b>
VII Tax expense:	38		
(i) Current tax		539.46	266.56
Add: MAT Credit Utilized		100.79	-
(ii) Deferred tax		(0.08)	(55.16)
<b>VIII Profit/(loss) for the period(VI-VII)</b>		<b>1,724.18</b>	<b>843.54</b>
<b>IX Profit for the Year (VIII+IX+X)</b>		<b>1,724.18</b>	<b>843.54</b>
Profit / Loss attributable to Non Controlling Interest		(0.36)	0.20
Profit / Loss attributable to owners of the Parent		1,724.54	843.34
X <b>Other comprehensive income</b>			
(i) Items that will not be reclassified to profit and loss			
- Remeasurement of Defined Benefit Plan		(1.02)	0.68
- Equity instruments at fair value through other comprehensive income;		57.35	5.89
(ii) Income tax relating to items that will not be reclassified to profit or loss		(12.76)	(1.42)
<b>Other comprehensive income for the year</b>		<b>43.57</b>	<b>5.15</b>
<b>XI Total Comprehensive Income for the period (XI+XII)</b>		<b>1,767.75</b>	<b>848.69</b>
Comprehensive Income attributable to Non Controlling Interest		(0.36)	0.20
Comprehensive Income attributable to owners of the Parent		1,768.11	848.49
<b>XII Earning per Equity Share of ₹ 10 each (in ₹)</b>			
<b>Basic(₹)</b>	39	<b>68.91</b>	<b>36.10</b>
<b>Diluted(₹)</b>		<b>68.91</b>	<b>36.10</b>

Significant Accounting Policies

**Notes forming part of the financial statements**

As per our report of even date attached

**For S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number: 306033E / E300272

**Vivek Agarwal**

Partner

Membership No: 301571

Place: Kolkata

Date : The 18th Day of May, 2022

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For and on behalf of the Board of Directors

**Brij Bhushan Agarwal**

Vice Chairman and Managing Director

DIN 01125056

**Shree Kumar Dujari**

Chief Financial Officer

**Sanjay Kumar Agarwal**

Joint Managing Director

DIN 00232938

**Birendra Kumar Jain**

Company Secretary

MRN A8305

## Consolidated Statement of Cash flow

for the period ended 31st March, 2022

(₹ in Crores)

Particulars	For the Period Ended	
	31 March 2022	31 March 2021
<b>A. Cash flow from operating activities:</b>		
Net Profit Before Tax	2,364.33	1,054.96
<b>Adjustments for:</b>		
Depreciation	272.40	300.36
Provision for Gratuity	0.90	1.78
Dividend Received	(0.20)	(0.08)
Unspent Liabilities written back and Unclaimed Balances adjusted	(11.00)	(11.61)
Unrealised Foreign Exchange Fluctuations	(3.11)	(12.74)
Gain on fair value of mutual fund investment	(13.42)	(1.01)
Gain in fair value of equity instruments through Profit and loss	(0.33)	(8.53)
Profit on Sale of Investments	(16.45)	(1.33)
Interest Income	(27.43)	(11.50)
Interest & Finance charges	23.16	62.46
<b>Operating Profit Before Working Capital Changes</b>	<b>2,588.85</b>	<b>1,372.76</b>
<b>Adjustments for :</b>		
Increase/(Decrease) in Trade and other payables	827.61	(213.30)
Decrease / (Increase) in Trade Receivable	160.23	(364.69)
Decrease / (Increase) in Inventories	(1,026.79)	456.48
Decrease / (Increase) in other assets	(285.45)	(6.51)
<b>Cash flow from operating activities before taxes</b>	<b>2,264.45</b>	<b>1,244.75</b>
Direct Taxes Paid (net)	(574.90)	(188.58)
<b>Net cash flow from operating activities (A)</b>	<b>1,689.55</b>	<b>1,056.17</b>
<b>B. Cash flow from investing activities:</b>		
Purchase of Property Plant & Equipment (Net)	(1,071.40)	(361.05)
(Increase)/ Decrease in Investment (Net)	(723.86)	(126.92)
Dividend Received	0.20	0.08
Loans Refunded/ (Given)	(161.27)	(16.13)
Interest Received	29.79	5.38
<b>Net cash from investing activities (B)</b>	<b>(1,926.54)</b>	<b>(498.64)</b>
<b>C. Cash flow from financing activities:</b>		
Repayments/Proceeds from Borrowing (Net) & Current Maturities	(253.34)	(317.91)
Proceeds from issue of shares	625.58	-
Acquisition of Non Controlling Interest	(0.36)	0.20
Dividend Paid	(183.66)	(43.22)
Interest paid	(23.17)	(62.46)
<b>Net cash from financing activities (C)</b>	<b>165.05</b>	<b>(423.39)</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(71.94)</b>	<b>134.14</b>
Cash and cash equivalents at the beginning of the year	<b>163.84</b>	<b>29.70</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>91.90</b>	<b>163.84</b>

Notes forming part of the financial statements

1 to 58



## Consolidated Statement of Cash flow

for the period ended 31st March, 2022

### Notes to the cash flow statement

- The above statement of cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Consolidated Statement of Cash Flow".
- Cash and cash equivalent comprises of: (₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance with banks - in current account	68.10	154.41
Cash credit account	2.70	3.46
Cheques / DD on Hand	0.90	-
Unpaid Dividend account with bank	0.04	-
Fixed Deposits with maturity less than 3 months	18.82	5.23
Cash on hand	1.34	0.74
<b>Total</b>	<b>91.90</b>	<b>163.84</b>

As per our report of even date attached

**For S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number: 306033E / E300272

**Vivek Agarwal**

Partner

Membership No: 301571

Place: Kolkata

Date : The 18th Day of May, 2022

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

**Brij Bhushan Agarwal**

Vice Chairman and Managing Director

DIN 01125056

**Shree Kumar Dujari**

Chief Financial Officer

**Sanjay Kumar Agarwal**

Joint Managing Director

DIN 00232938

**Birendra Kumar Jain**

Company Secretary

MRN A8305

## Consolidated Statement of Changes in Equity

for the period ended 31st March, 2022

(₹ in Crores)

Particulars	Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
For the year ended March 31, 2022	233.61	21.47	255.08
For the year ended March 31, 2021	233.61	-	233.61

### Total Equity

(₹ in Crores)

Particulars	Reserve and surplus								
	Securities Premium	Retained Earnings	Capital Reserves	Other Reserves	Equity instruments through other comprehensive income	Remeasurement of the net defined benefit plans	Total Attributable to Owners of the parent	Attributable to Non Controlling Interest	Total Other Equity
<b>Balance at 1st April 2021</b>	<b>178.15</b>	<b>2,805.93</b>	<b>384.61</b>	<b>1.10</b>	<b>30.62</b>	-	<b>3,400.41</b>	<b>4.35</b>	<b>3,404.76</b>
Profit / (Loss) for the year	-	1,724.54	-	-	-	-	1,724.54	(0.36)	1,724.18
Profit on sale of Investment	-	-	-	-	(0.28)	-	(0.28)	-	(0.28)
Dividend Paid	-	(183.66)	-	-	-	-	(183.66)	-	(183.66)
Income tax effect	-	-	-	-	(12.61)	0.17	(12.44)	-	(12.44)
Security Premium Received	604.21	-	-	-	-	-	604.21	-	604.21
Acquisition/Disposal of Subsidiaries	-	-	(20.08)	-	-	-	(20.08)	-	(20.08)
Other Comprehensive Income	-	-	-	-	67.24	(0.83)	66.41	-	66.41
Transfer to Retained earnings	-	(0.18)	-	-	-	0.66	0.48	-	0.48
<b>Balance at 31st March 2022</b>	<b>782.36</b>	<b>4,346.63</b>	<b>364.53</b>	<b>1.10</b>	<b>84.97</b>	-	<b>5,579.59</b>	<b>3.99</b>	<b>5,583.58</b>
<b>Balance at 1st April 2020</b>	<b>178.15</b>	<b>2,006.25</b>	<b>383.87</b>	<b>1.10</b>	<b>23.47</b>	-	<b>2,592.84</b>	<b>4.15</b>	<b>2,596.99</b>
Profit / (Loss) for the year	-	843.34	-	-	-	-	843.34	0.20	843.53
Income Tax Effect	-	-	-	-	1.12	(0.12)	1.00	-	1.00
Profit on sale of Investment	-	-	-	-	0.03	-	0.03	-	0.03
Disposal of Subsidiary	-	0.01	-	-	-	-	0.01	-	0.01
Merger Impact	-	-	0.74	-	-	-	0.74	-	0.74
Dividend Paid	-	(43.22)	-	-	-	-	(43.22)	-	(43.22)
Transferred to Demerged Division	-	(0.89)	-	-	-	-	(0.89)	-	(0.89)
Transfer to Retained earnings	-	0.44	-	-	-	(0.44)	-	-	-
Other Comprehensive Income	-	-	-	-	6.00	0.56	6.56	-	6.56
<b>Balance at 31st March 2021</b>	<b>178.15</b>	<b>2,805.93</b>	<b>384.61</b>	<b>1.10</b>	<b>30.62</b>	-	<b>3,400.41</b>	<b>4.35</b>	<b>3,404.75</b>

#### Notes forming part of the financial statements

As per our report of even date attached

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm Registration Number: 306033E / E300272

**Vivek Agarwal**

Partner

Membership No: 301571

Place: Kolkata

Date : The 18th Day of May, 2022

1 to 58

For and on behalf of the Board of Directors

**Brij Bhushan Agarwal**

Vice Chairman and Managing Director

DIN 01125056

**Shree Kumar Dujari**

Chief Financial Officer

**Sanjay Kumar Agarwal**

Joint Managing Director

DIN 00232938

**Birendra Kumar Jain**

Company Secretary

MRN A8305

## Significant accounting policies

for the period ended 31st March, 2022

### 1. Group Overview

Shyam Metals and Energy Limited ('the group') is a public limited Group incorporated in India in 2002 under the Companies Act, 1956. The registered office of the Group is at Trinity Tower, 83 Topsia Road, 7<sup>th</sup> Floor, Kolkata – 700 046.

The Group is primarily engaged in business of manufacture and sale of Ferro Alloys, Iron & Steel products and power generation. Currently it has an integrated steel plant in Odisha and has its presence in wind power sector in the state of Maharashtra.

The financial statements for the year ended March 31, 2022 were approved for issue by Group's board of directors on May 18, 2022.

### 1(A) Significant Accounting Policies

The significant accounting policies applied by the Group in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

#### a. Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

#### b. Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest millions, except otherwise stated.

c. Ministry of Corporate Affairs (MCA) issued notifications dated 24th March, 2021 to amend Schedule III of the Companies Act, 2013 to enhance the disclosures required to be made by the Group in its financial statements. These amendments are applicable to the Group for the financial year starting 1st April, 2021 and applied to the Consolidated financial statements.

#### d. Recent Accounting Developments

Ministry of Corporate Affairs (MCA), vide notification dated 23rd March, 2022, has made the following amendments to Ind AS which are effective 1st April, 2022:

- a. Ind AS 109: Annual Improvements to Ind AS (2021)
- b. Ind AS 103: Reference to Conceptual Framework
- c. Ind AS 37: Onerous Contracts - Costs of Fulfilling a Contract
- d. Ind AS 16: Proceeds before intended use

Based on preliminary assessment, the Group does not expect these amendments to have any significant impact on its Consolidated financial statements.

#### e. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either, in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

## Significant accounting policies

for the period ended 31st March, 2022

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- o Disclosures for valuation methods, significant estimates and assumptions
- o Quantitative disclosures of fair value measurement hierarchy
- o Investment in quoted and unquoted equity shares
- o Financial instruments

### f. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

### g. Use of estimates and critical accounting judgements

In preparation of the financial statements, the Group makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of

## Significant accounting policies

for the period ended 31st March, 2022

property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

### h. Property, plant and equipment

Recognition and initial measurement

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

#### Impairment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of the qualifying assets.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of profit and loss.

On the date of transition to Ind AS that is 01-04-2015 the Group had taken fair value for land & building and plant & equipment as its deemed cost.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

### i. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Class of assets	Years
Computer software	3 to 5 years

### j. Depreciation and amortisation property plant and equipment and intangible assets

Depreciation or amortisation is provided so as to write off, on a Written down value basis, the cost of property, plant and equipment and other intangible assets to their residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives as per the useful life prescribed in Schedule II to the Companies Act, 2013, or, as per technical assessment, or, in the case of leased assets, over the lease period, if shorter. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

In case of certain classes of PPE, the Group uses different useful lives than those prescribed in Schedule II to the Act in the below mentioned assets. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic

## Significant accounting policies

for the period ended 31st March, 2022

benefits from those classes of assets.

Asset Class	Group Policy	As per Sch. II
Non Factory Building	5-60 Years	60 Years
Office Equipment	3-5 Years	5 Years
Plant & Machineries	5-40 Years	20-40 Years

Freehold land is not depreciated.

The Group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

### k. Impairment of non-financial assets

At each balance sheet date, the Group reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or CGU) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

### l. Financial Instruments

Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments.

#### Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

#### Classification and Subsequent Measurement: Financial Assets

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following line:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

#### Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Fair Value through Other Comprehensive Income

A financial asset shall be classified and measured at fair value through Other Comprehensive Income if both of the following conditions are met:



## Significant accounting policies

for the period ended 31st March, 2022

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group in respect of unquoted equity investments which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Group on an instrument by instrument basis at the time of initial recognition of such equity investments.

### Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through Other Comprehensive Income.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Group has measured quoted equity instruments at fair value through profit or loss.

### Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

### Financial Liabilities at fair value through profit & loss

Financial liabilities are classified as at fair value through profit & loss when the financial liability is held for trading or are designated upon initial recognition as fair value through profit & loss:

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

### Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Group recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Group follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Group to track changes in credit risk. The Group calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

### Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

### Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and

## Significant accounting policies

for the period ended 31st March, 2022

settle the liability simultaneously.

### m. Employee benefits

#### Short term obligations

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

#### Defined contribution plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

#### Defined benefit plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) is treated as a net expense within employment costs. Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

### n. Inventories

Raw materials are valued at cost on FIFO basis

Traded goods are valued on FIFO basis.

Work-in-progress and Finished Goods are valued at lower of Cost or Net Realizable Value on weighted average or FIFO basis, as applicable. Cost is taken as Factory cost of the products.

By products are valued at estimated Net Realizable Value and Stores and Spares on Weighted Average Basis.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### o. Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

### p. Government grants

The Group recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Grants related to assets are treated as deferred income and are recognized as other income in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset. Grants related to income are recognized on a systematic basis over the periods necessary to match them with the

## Significant accounting policies

for the period ended 31st March, 2022

related costs which they are intended to compensate and are deducted from the expense in the Statement of Profit and Loss

### q. Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Group must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

### r. Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### Current tax

Current tax is the amount of tax payable based on the taxable profit for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Group operates and generates taxable income.

#### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they are relate to items that are recognised in

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for the period ended 31st March, 2022

other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### s. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Group as lessee

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

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term and the lease term is as follows.

Class of assets	Years
Leasehold land	99 Years
Buildings	2 to 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### t. Revenue

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume

## Significant accounting policies

for the period ended 31st March, 2022

rebates, and goods and service tax. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group regardless of when the payment is being made.

### Sale of goods

Revenue from sale of products is recognized when the Group transfers the control of goods to the customer as per the terms of contract. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In the context of the sale of the products, separate performance obligations may arise from freight and transport services as well as from services directly related to the sale of the products. These services are generally performed at the time that the control of the products is transferred. In a few exceptional cases, the freight and transport services are performed after the control of the products has been transferred. In accordance with IND AS 115, the revenue relating to these freight and transport services is realised later than the corresponding product revenue. In determining the transaction price, the Group considers the effects of variable consideration such as discounts, volume rebates, or other contractual price reductions, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). However, variable consideration is only included if it is highly probable that a significant reversal of revenue will not occur once the uncertainty related to the variable consideration is resolved.

In case of domestic sales, the Group believes that the control gets transferred to the customer on dispatch of the goods from the factory and in case of exports, revenue is recognised on passage of control as per the terms of contract / incoterms. Variable consideration in the form of volume rebates is recognised at the time of sale made to the customers and are offset against the amounts payable by them.

### Conversion Income

Revenue from sale of service is recognised when control has been transferred to the buyer usually when the delivery of goods after due process of conversion takes place, revenue is booked when all the performance obligations are satisfied. In determining the transaction price, the Group considers the effects of variable consideration such as discounts, volume rebates, or other contractual price reductions, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). However, variable consideration is only included if it is highly probable that a significant reversal of revenue will not occur once the uncertainty related to the variable consideration is resolved.

### Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

### Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

#### u. Foreign currency transactions

The financial statements of the Group are presented in Indian rupees (₹), which is the functional currency of the Group and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the Group's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are restated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the translation or settlement of other monetary items are included in the statement of profit and loss for the period.

#### v. Borrowing costs

Borrowings costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

#### w. Earnings per share

## Significant accounting policies

for the period ended 31st March, 2022

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Group to satisfy the exercise of the share options by the employees.

### x. Trade receivables

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

### y. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with the financial institutions, other short term, highly liquid investments with original maturities of three months or less (except the instruments which are pledged) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### z. Trade and other payables

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

### aa. Segment reporting

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

### bb. Investment in subsidiaries and associates and joint venture

Investment in subsidiaries and associates are shown at deemed cost except investment in one subsidiary. Further where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of profit and loss.

### cc. Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

### dd. Expected Credit Loss

Loss allowance equal to the lifetime expected credit losses is recognized if the credit risk on the financial instruments has significantly increased since initial recognition.



## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### 2 - Property, Plant and Equipment

(₹ in Crores)

Particulars	Gross block					Accumulated depreciation					Net block
	1st April 2021	Addition on account of acquisition of subsidiary	Additions	Disposals/ Adjustments	31st Mar 2022	1st April 2021	Accumulated depreciation on account of acquisition of subsidiary	Additions	Disposals/ Adjustments	31st March 2022	31st March 2022
Freehold Land	213.97	-	15.12	-	229.09	-	-	0.00	-	0.00	229.09
Buildings	546.65	7.70	137.83	0.00	692.18	208.76	2.16	36.95	0.00	247.87	444.31
Plant and Equipment	2,396.59	18.00	727.77	0.00	3,142.36	1,194.73	12.01	232.02	-	1,438.76	1,703.60
Furniture and Fixture	2.32	0.00	0.12	-	2.44	1.34	0.00	0.28	-	1.62	0.82
Vehicles	5.78	0.30	1.44	0.00	7.52	1.85	0.27	1.00	0.26	2.86	4.66
Office Equipment	4.61	0.14	1.19	0.00	5.94	4.33	0.09	0.49	0.00	4.91	1.03
<b>Total</b>	<b>3,169.92</b>	<b>26.14</b>	<b>883.47</b>	<b>0.00</b>	<b>4,079.53</b>	<b>1,411.01</b>	<b>14.53</b>	<b>270.75</b>	<b>0.26</b>	<b>1,696.02</b>	<b>2,383.52</b>

Particulars	Gross block					Accumulated depreciation					Net block
	1st April 2021	Addition on account of acquisition of subsidiary	Additions	Disposals/ Adjustments	31st March, 2021	1st April 2020	Accumulated depreciation on account of acquisition of subsidiary	Additions	Disposals/ Adjustments	31st March, 2021	31st March, 2021
Freehold Land	213.31	-	2.22	1.57	213.97	-	-	-	-	-	213.97
Buildings	531.04	-	16.84	1.24	546.65	167.68	-	41.63	0.55	208.76	337.89
Plant and Equipment	2,326.10	-	70.49	-	2,396.59	938.92	-	255.81	-	1,194.73	1,201.86
Furniture and Fixture	1.63	-	0.70	-	2.32	1.07	-	0.27	-	1.34	0.98
Vehicles	5.05	-	0.73	-	5.78	1.25	-	0.60	-	1.85	3.93
Office Equipment	4.00	-	0.61	-	4.61	3.69	-	0.64	-	4.33	0.28
<b>Total</b>	<b>3,081.13</b>	<b>-</b>	<b>91.59</b>	<b>2.81</b>	<b>3,169.92</b>	<b>1,112.61</b>	<b>-</b>	<b>298.94</b>	<b>0.55</b>	<b>1,411.01</b>	<b>1,758.87</b>

- (a) Individual assets of property, plant and equipment has been reclassified wherever necessary.
- (b) Refer note 40(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- (c) Refer note 19 & 24 for information on property, plant and equipment pledged as security by the Group.

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### 2A - Right to Use Assets

(₹ in Crores)

Particulars	Gross block					Accumulated depreciation					Net block	
	1st April 2021	Addition on account of acquisition of subsidiary	Additions	Disposals/ Adjustments	31st March 2022	1st April 2021	Accumulated depreciation on account of acquisition of subsidiary	Additions	Disposals/ Adjustments	31st March 2022	31st March 2022	
Leasehold Building	4.04	-	0.74	-	4.78	1.37	-	0.97	-	2.34	2.44	
Leasehold Land	41.90	24.01	-	-	65.91	1.88	-	0.46	-	2.34	63.57	
<b>Total</b>	<b>45.94</b>	<b>24.01</b>	<b>0.74</b>	<b>-</b>	<b>70.69</b>	<b>3.24</b>	<b>-</b>	<b>1.43</b>	<b>-</b>	<b>4.68</b>	<b>66.01</b>	

Particulars	Gross block					Accumulated depreciation					Net block	
	1st April 2020	Addition on account of acquisition of subsidiary	Additions	Disposals/ Adjustments	31st March 2021	1st April 2020	Accumulated depreciation on account of acquisition of subsidiary	Additions	Disposals/ Adjustments	31st March 2021	31st March 2021	
Leasehold Building	3.33	-	0.71	-	4.04	0.64	-	0.73	-	1.37	2.67	
Leasehold Land	41.90	-	-	-	41.90	1.42	-	0.45	-	1.88	40.02	
<b>Total</b>	<b>45.23</b>	<b>-</b>	<b>0.71</b>	<b>-</b>	<b>45.94</b>	<b>2.06</b>	<b>-</b>	<b>1.18</b>	<b>-</b>	<b>3.25</b>	<b>42.69</b>	

### 3 - Capital Work-in-Progress

(₹ in Crores)

Particulars	1st April 2021	Additions	Disposals/ Adjustments	31st March 2022
Buildings	95.21	130.75	129.41	96.55
Plant & equipments	356.42	990.66	730.13	616.96
Land	54.77	-	-	54.77
<b>Total</b>	<b>506.41</b>	<b>1,121.41</b>	<b>859.54</b>	<b>768.28</b>

Particulars	1st April 2020	Additions	Disposals/ Adjustments	31st March 2021
Buildings	48.58	91.24	44.61	95.21
Plant & equipments	137.21	274.92	55.71	356.42
Land	49.66	22.60	17.49	54.77
<b>Total</b>	<b>235.45</b>	<b>388.76</b>	<b>117.81</b>	<b>506.40</b>

### Capital work-in-progress ageing schedule for the year ended March 31, 2022

(₹ in Crores)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	510.70	215.41	31.80	10.37	768.28
<b>Total Capital work-in-progress</b>	<b>510.70</b>	<b>215.41</b>	<b>31.80</b>	<b>10.37</b>	<b>768.28</b>

### Capital work-in-progress ageing schedule for the year ended March 31, 2021

(₹ in Crores)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	270.65	163.96	19.67	52.12	506.40
<b>Total Capital work-in-progress</b>	<b>270.65</b>	<b>163.96</b>	<b>19.67</b>	<b>52.12</b>	<b>506.40</b>

Note - There are no projects which are overdue as on 31.03.2022 and 31.03.2021 respectively.

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### 4 - Intangible Assets

(₹ in Crores)

Particulars	Gross block				Accumulated depreciation				Net block
	1st April 2021	Additions	Disposals/ Adjustments	31st March 2022	1st April 2021	Additions	Disposals/ Adjustments	31st March 2022	31st March 2022
Software	2.19	5.58	-	7.77	1.54	1.14	-	2.68	5.09
<b>Total</b>	<b>2.19</b>	<b>5.58</b>	<b>-</b>	<b>7.77</b>	<b>1.54</b>	<b>1.14</b>	<b>-</b>	<b>2.68</b>	<b>5.09</b>

Particulars	Gross block				Accumulated depreciation				Net block
	1st April 2020	Additions	Disposals/ Adjustments	31st March 2021	1st April 2020	Additions	Disposals/ Adjustments	31st March 2021	31st March 2021
Software	2.12	0.06	-	2.19	1.34	0.21	-	1.54	0.65
<b>Total</b>	<b>2.12</b>	<b>0.06</b>	<b>-</b>	<b>2.19</b>	<b>1.34</b>	<b>0.21</b>	<b>-</b>	<b>1.54</b>	<b>0.65</b>

### 5 - Investments in associates and joint ventures

(₹ in Crores)

Particulars	Number of shares		For the year ended		
	31st March 2022	31st March 2021	Face Value (In ₹)	31st March 2022	31st March 2021
<b>Investments measured at cost/deemed cost</b>					
<b>Unquoted</b>					
<b>Investment in Associates</b>					
Kolhan Complex Private Limited	1,61,200	1,61,200	10	1.20	1.45
Add: Share In Profit / (Loss)				-	-
				<b>1.20</b>	<b>1.45</b>
Kecons Trade Care Private Limited	-	74,07,500	10	-	10.00
Add: Share In Profit/(Loss)				-	0.01
				-	<b>10.01</b>
Meghana Vyapaar Private Limited	1,00,000	1,00,000	10	0.10	0.10
Add: Share In Profit/(Loss)				0.14	0.26
				<b>0.24</b>	<b>0.36</b>
<b>Sub - Total</b>				<b>1.44</b>	<b>11.82</b>
<b>Investment in Joint Ventures</b>					
Kalinga Energy & Power Ltd	1,25,000	1,25,000	10	0.13	0.13
Add: Share In Profit/(Loss)				-	(0.00)
				<b>0.13</b>	<b>0.12</b>
Karo River Pellets Private Limited	5,000	5,000	10	0.01	0.01
Add: Share In Profit/(Loss)				-	-
				<b>0.01</b>	<b>0.01</b>
<b>Sub - Total</b>				<b>0.14</b>	<b>0.13</b>
<b>TOTAL</b>				<b>1.57</b>	<b>11.95</b>

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### 5A - Investments (Non-Current)

(₹ in Crores)

Particulars	Number of shares		For the year ended		
	31st March 2022	31st March 2021	Face Value (In ₹)	31st March 2022	31st March 2021
<b><u>Investments measured at fair value through profit and loss</u></b>					
<b><u>Unquoted</u></b>					
<b><u>Investment in equity instruments</u></b>					
Glowing Realty Private Limited	-	1,50,000	10	-	0.15
	-	<b>1,50,000</b>		-	<b>0.15</b>
<b><u>Investments measured at fair value through other comprehensive income</u></b>					
<b><u>Unquoted</u></b>					
<b><u>Investment in equity instruments</u></b>					
Dorite Tracon Private Limited	7,30,000	7,30,000	10	29.76	10.62
Narantak Dealcomm Limited	27,28,088	27,28,088	10	65.39	37.38
Platinum Minmet Private Limited	-	9,800	10	-	0.09
Subhlabh Commercials Private Limited	1,01,350	1,01,350	10	2.55	1.72
Shubham Capital Private Limited	3,57,000	3,57,000	10	10.22	4.09
Sunglow Complex Private Limited		9,800	10	-	0.08
Swarnrekha Abasan Private Limited		9,800	10	-	0.14
Karva Automart Limited	10,000	10,000	10	0.03	0.03
Shyam Ores(Jharkhand) Private Limited	200	-	10	0.00	-
				<b>107.95</b>	<b>54.15</b>
<b><u>Investment In Land</u></b>				-	<b>0.23</b>
<b><u>Investment in Bond</u></b>					
8.23% IRFC Tax Free Bond	1,00,000		100	10.09	-
State Bank of India Series I 7.72% Perpetual Bond	1,00,00,000		36	36.04	-
<b><u>Investment in Mutual Funds</u></b>					
SBI Fixed Maturity Plan Series 52 (1848 days)	89,99,550			9.15	-
<b><u>Investment in Debentures</u></b>					
Shriram Transport Finance Company Limited Series III	500	-	10,00,000	54.75	-
Vidya Trust 2021 Series IV PTC	34,632	-	10,000	32.68	-
Piramal Capital And Housing Finance Limited	5,89,500	-	975	48.51	-
IIFL Wealth Prime Limited	500	-	10,00,000	49.41	-
<b><u>Investment in Government Securities</u></b>					
National Saving Certificate (VII Issue)				0.10	0.10
<b>Total</b>				<b>348.68</b>	<b>54.63</b>
<b>Aggregate amount of unquoted investments</b>				<b>108.05</b>	<b>54.53</b>
Aggregate amount of quoted investments				<b>240.63</b>	-
Aggregate market value of quoted investments				<b>240.63</b>	-

\* Pursuant to the scheme of amalgamation between Hrashva Storage and Warehouse Private Limited and Shyam Sel and Power Limited.

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### 6 - Other Financial Assets (Non-Current)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(Unsecured, considered good)</b>		
Security deposits	14.17	9.09
Bank deposits with maturity more than 12 months	24.79	37.03
<b>Total</b>	<b>38.96</b>	<b>46.12</b>

(a) Fixed Deposits amounting to ₹ 25.72 Crores (31st March 2021 : 16.27 Crores) are held as margin money

### 7 - Other Non-Current assets

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(Unsecured, considered good)</b>		
Capital advances	131.38	246.67
Deposits against demands under dispute	5.41	5.34
Prepaid expenses	2.37	0.46
Advance Tax	0.03	-
<b>Total</b>	<b>139.19</b>	<b>252.47</b>

### 8 - Inventories

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(Valued at lower of Cost and Net Realisable Value)</b>		
Raw Materials	1,563.04	726.12
Work in progress	12.69	2.53
Finished Goods	378.42	198.56
Stores and Spares	71.18	63.80
Fuel	1.29	0.90
Traded Goods	2.99	6.24
By Products	27.42	32.08
<b>Total</b>	<b>2,057.03</b>	<b>1,030.23</b>

Inventories are hypothecated to bank against working capital facility.

### 9 - Current Investments

#### (i) Inventories have been pledged as security for liabilities

(₹ in Crores)

Particulars	Number of shares		Face Value (In ₹)	31st March 2022	31st March 2021
	31st March 2022	31st March 2021			
<b>Investment in Bond</b>					
8.09% PFC Ltd	500	-		-	4.96
				-	<b>4.96</b>

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### (i) Inventories have been pledged as security for liabilities

(₹ in Crores)

Particulars	Number of shares		Face Value (In ₹)	31st March 2022	31st March 2021
	31st March 2022	31st March 2021			
<b><u>Investments measured at fair value through other comprehensive income</u></b>					
<b><u>Quoted</u></b>					
<b><u>Investment in equity instruments</u></b>					
Bajaj Finance Ltd	6,547	6,547	2	4.75	3.37
<b><u>Investment in preference shares</u></b>					
Powergrid Infrastructure Investment Trust	5,41,200	-		7.25	-
Brookfield India Real Estate Trust Reit	58,400	58,400		1.83	1.30
<b>SUB-TOTAL</b>				<b>13.83</b>	<b>4.67</b>
<b><u>Investment in Non- Convertible Debenture</u></b>					
Miraya Reality Private Limited NCD Fv 1 Lac	56	56	1,00,000	0.58	0.70
Cornerview Constructions & Developers Private Limited	-	80	50,000	-	0.03
Shriprop Dwellers Private Limited	-	54	1,00,000	-	0.08
Shriprop Dwellers Private Limited	-	31	1,00,000	-	0.77
NCD Sterling Habitats Private Limited	4	4	1,00,000	0.02	0.06
Miraya Reality Private Limited NCD FCV 1.03Lac	94	94	1,00,000	0.99	1.12
Genie Commercial Ventures Pvt. Ltd	77	77	1,00,000	0.83	0.93
NCD Cornerview Constructions Pvt Ltd	-	72	50,000	-	0.05
Sterling Habitats Pvt Ltd	28	28	1,00,000	0.37	0.35
Sterling Habitats Pvt Ltd Pd 15	28	-		0.11	-
Vivriti Capital Private Limited	150	-		15.00	-
Piramal Enterprises Limited Br Ncd	400	-		40.00	-
Edelweiss Financial Services Ncd	100	-		10.00	-
Genie Commercial Ventures Pvt. Ltd.	5	5	1,00,000	0.05	0.05
Embassy Office Parks Reit Sr I	-	10	10,00,000	-	1.11
7.72% SBI Perp Call 03.09.2026 Tier I	18	-		18.35	-
8.41% NTPC Tax Free 2023	1,00,000	-		10.90	-
8.41% India Infrastructure Finance Co Ltd Tax Free Bonds	1,50,000	-		16.18	-
8.12% REC Tax Free Bonds	50,000	-		6.12	-
8.50% SBI Perpetual Bond	50	-		5.29	-
7.18% IRFC LTD	50,000	-		5.28	-
Vidya Trust 2021 Series Iv	34,632	-		34.63	-
Indian Renewable Energy Development Agency Limited	90	-		9.00	-
Icici Home Finance Co. Ltd- Bond Issuance	-	80	5,00,000	-	4.60
<b>SUB-TOTAL</b>				<b>173.70</b>	<b>9.85</b>



## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### (i) Inventories have been pledged as security for liabilities

(₹ in Crores)

Particulars	Number of shares		Face Value (In ₹)	31st March 2022	31st March 2021
	31st March 2022	31st March 2021			
<b>Quoted</b>					
<b>Investment in Mutual Funds</b>					
Aditya Birla Sun Life Equity Arbitrage Fund	1,50,93,074	-	-	34.34	-
Axis Arbitrage Fund	11,55,80,516	-	-	187.08	-
Icici Prudential Value Fund Series 20 Direct Plan	5,00,000	5,00,000	-	-	0.62
ICICI Prudential Mutual Fund - Arbitrage Fund	-	-	-	37.43	-
Hdfc Housing Opportunities Fund- Direct Growth	10,00,000	10,00,000	-	-	1.10
Edelweiss Crossover Opportunities Fund	91,26,119	1,55,54,844	-	12.54	16.00
Edelweiss Real Estate Opportunities Fund.	20,530	29,520	-	17.75	23.74
Kotak Equity Arbitrage Fund - Direct Plan - Fortnight Dividend	1,99,05,932	-	-	35.38	60.28
ICICI Prudential Over Night Mutual Fund	-	-	-	45.00	-
Sbi Debt Fund Series - C - 7 (1190 Days) - Direct Growth	59,66,496	59,66,496	-	-	7.52
Tata Arbitrage Fund- Direct Plan- Growth	3,07,01,551	-	-	-	35.22
Sbi Fixed Maturity Plan Sr 52 Direct Growth	-	-	-	9.15	-
Nippon India Arbitrage Fund- Growth	2,29,90,227	-	-	38.22	50.18
Hdfc Housing Opportunities Fund Series 1	10,00,000	10,00,000	-	-	1.10
Kotak Equity Arbitrage Fund	-	-	-	81.26	-
<b>SUB-TOTAL</b>				<b>498.15</b>	<b>195.75</b>
<b>TOTAL</b>				<b>685.68</b>	<b>215.24</b>
Aggregate amount of quoted investments				<b>685.68</b>	<b>215.24</b>
Aggregate market value of quoted investments				<b>685.68</b>	<b>215.24</b>

### 10 - Trade Receivables

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Trade receivables considered good (Unsecured)	256.99	375.45
Trade receivables considered good (Secured)	118.40	158.10
Trade receivables - credit impaired	3.36	1.61
	378.75	535.16
Less: Allowances for credit losses	(2.65)	(1.61)
<b>Total</b>	<b>376.10</b>	<b>533.55</b>

**Expected Credit Loss** - In determining the allowances for credit losses of trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### Trade Payable ageing schedule for the year ended as on 31.03.2022

#### Ageing of Trade Receivables

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivable - Considered Good	52.38	314.01	7.52	2.14	0.09	0.10	376.24
Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable - Credit Impaired	-	-	-	0.76	0.40	0.10	1.26
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	1.25	1.25
	<b>52.38</b>	<b>314.01</b>	<b>7.52</b>	<b>2.91</b>	<b>0.49</b>	<b>1.45</b>	<b>378.75</b>
Less: Allowance for expected credit loss	-	-	-	-	-	-	2.65
Less: Allowance for credit impairment	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>Total Trade Receivable</b>	<b>52.38</b>	<b>314.01</b>	<b>7.52</b>	<b>2.91</b>	<b>0.49</b>	<b>1.45</b>	<b>376.10</b>

### Trade Payable ageing schedule for the year ended as on 31.03.2021

#### Ageing of Trade Receivables

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivable - Considered Good	50.00	461.50	19.29	0.57	0.16	0.00	531.52
Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable - Credit Impaired	-	-	-	2.32	0.06	0.01	2.39
Disputed Trade Receivable - Considered Good	-	-	-	-	-	0.02	0.02
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	1.23	1.23
<b>Total (A)</b>	<b>50.00</b>	<b>461.50</b>	<b>19.29</b>	<b>2.89</b>	<b>0.22</b>	<b>1.26</b>	<b>535.16</b>
Less: Allowance for expected credit loss	-	-	-	-	-	-	1.61
Less: Allowance for credit impairment	-	-	-	-	-	-	-
<b>Total (B)</b>							-
<b>Total (A-B)</b>	<b>50.00</b>	<b>461.50</b>	<b>19.29</b>	<b>2.89</b>	<b>0.22</b>	<b>1.26</b>	<b>533.55</b>

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### 11 - Cash and Cash Equivalents

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Balance with banks:</b>		
Current account	68.10	154.41
Cash credit account	2.70	-
Cheques/ DD on Hand	0.90	3.46
Unpaid Dividend account with bank	0.04	-
Fixed Deposits with maturity less than 3 months	18.82	5.23
Cash on hand	1.34	0.74
<b>Total</b>	<b>91.90</b>	<b>163.84</b>

Current Account Balance for the year ended 31.03.2022 includes ₹ 1.91 Crores held in Escrow Account to meet IPO Expenses (31.03.2021 : NIL)

### 12 - Other Balances

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Fixed Deposits held as margin with maturity less than 3 months	7.19	18.18
Fixed deposits maturity for more than 3 months but less than 12 months	226.79	141.76
<b>Total</b>	<b>233.98</b>	<b>159.94</b>

(a) Fixed Deposits amounting to ₹ 31.74 Crores (31st March 2021 : ₹ 26.49 Crores) are held as margin money

### 13 - Loans (Current)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(Unsecured, considered good)</b>		
Loan to related parties	2.67	0.32
Loan to body corporates - Considered Good	170.19	7.66
Loans receivable considered good	0.03	8.96
Less: Provision for Doubtful Loans	-	(0.76)
<b>Total</b>	<b>172.89</b>	<b>16.18</b>

### 14 - Other Financial Assets

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Unsecured, considered good</b>		
Interest accrued and due on fixed deposits	4.33	6.93
Interest accrued and due on bonds	5.06	0.14
Interest accrued on Deposits	0.57	0.25
Earnest money deposit	-	5.00
Incentive Receivable	55.53	58.95
Insurance Claim Receivable	0.11	0.27
MTM receivables	4.92	3.11
Security deposits	35.31	6.37
<b>Total</b>	<b>105.83</b>	<b>81.02</b>

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### 15 - Current Tax Assets (Net)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Advance tax (net of provisions)	37.25	0.15
<b>Total</b>	<b>37.25</b>	<b>0.15</b>

### 16 - Other Current Assets

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Unsecured, considered good</b>		
Advances against goods and expenses		
i. Considered Good	825.89	505.51
ii. Considered doubtful	1.94	-
Prepaid Expenses	1.50	0.40
Advances to employees	10.33	1.29
Advances for IPO	0.07	2.89
Balances with statutory authorities	73.33	29.10
Less: Provision for advances to suppliers	-	0.03
<b>Total</b>	<b>913.06</b>	<b>539.22</b>

### 17 - Equity Share Capital

#### a) Authorised, Issued, Subscribed and Paid up Share Capital

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Authorised Capital</b>		
290,000,000 (March 31, 2021 - 290,000,000) Equity Shares of ₹ 10 each	290.00	290.00
<b>Total</b>	<b>290.00</b>	<b>290.00</b>
<b>Issued, Subscribed &amp; Fully Paid-up Capital</b>		
255,080,688 (March 31, 2021 - 233,610,100) Equity Shares of ₹ 10 each	255.08	233.61
<b>Total</b>	<b>255.08</b>	<b>233.61</b>

#### b) Reconciliation of equity shares outstanding at the end of the reporting period

Particulars	31st March, 2022		31st March, 2021	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Equity shares at the beginning of the year	2,33,61,010	233.61	2,33,61,010	233.61
Add: Shares issued during the year*	2,14,70,588	21.47		
<b>Equity shares at the end of the year</b>	<b>4,48,31,598</b>	<b>255.08</b>	<b>2,33,61,010</b>	<b>233.61</b>

\* During the year ended March 31, 2022 the group has issued 2,14,70,588 fresh equity shares through Initial Public Offer of Face Value ₹ 10 each aggregating to ₹ 21.47 Crores

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### Initial Public Offer :

The Group had made an Initial Public Offer (IPO), during the year ended March 31, 2022 for 2,97,05,880 equity shares of ₹ 10 each, comprising of a fresh issue of 2,14,70,588 equity shares by the Group and 82,35,292 equity shares offered for sale by selling shareholders. The Equity shares were issued at a price of ₹ 306 per share (including a Share Premium of ₹ 296). Of the total equity shares, 3,00,000 equity shares were reserved for eligible employees at a discount of ₹ 15 per share. Total Share Premium received from IPO (net of employee discount) is ₹ 635.32 crores reduced by the Group's share of IPO related expenses of ₹ 31.22 Crores.

### c) Rights/preferences/restrictions attached to equity shares

The Group has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividends in Indian Rupees.

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

### d) Aggregate number of bonus shares allotted as fully paid up during the period of 5 years immediately preceding the reporting date

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Opening	-	-	-	-	-
Add: Equity Shares allotted as fully paid up pursuant to contract for consideration other than cash.	-	-	-	18,68,88,080	-
	-	-	-	<b>18,68,88,080</b>	-

### e) Aggregate number of New shares allotted as fully paid up during the period of 5 years immediately preceding the reporting date

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Opening	23,36,10,100	23,36,10,100	23,36,10,100	23,36,10,100	23,36,10,100
Add: Equity Share allotted as fully paid in Initial Public Issue	2,14,70,588	-	-	-	-
Closing	<b>25,50,80,688</b>	<b>23,36,10,100</b>	<b>23,36,10,100</b>	<b>23,36,10,100</b>	<b>23,36,10,100</b>

Proceeds from Initial Public Offer made during the year ended March 31, 2022 have been utilised in the following manner:

(₹ in Crores)

Particulars	Utilised in FY 2021-22
Repayment of borrowings	470.00
Expenses towards general corporate purposes	149.96
	<b>619.96</b>

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### f) Shares held by promoters

Particulars	No of Shares (31.03.2022)	% of Total Shares (31.03.2022)	No of Shares (31.03.2021)	% of Total Shares (31.03.2021)	% Change during the year
<b>Promoter Name</b>					
Subham Buildwell Pvt. Ltd.	7,05,38,427	27.65%	7,25,97,250	31.08%	-3.42%
Narantak Dealcomm Limited	5,08,93,406	19.95%	5,40,63,340	23.14%	-3.19%
Subham Capital Private Limited	4,07,85,620	15.99%	4,19,94,770	17.98%	-1.99%
Kalpataru House Fin. And Trading Private Ltd.	2,14,02,157	8.39%	2,22,19,150	9.51%	-1.12%
Dorite Tracon (P) Ltd	1,42,16,273	5.57%	1,51,96,665	6.51%	-0.93%
Top Light Mercantiles Pvt. Ltd.	6,98,750	0.27%	6,98,750	0.30%	-0.03%
Brij Bhushan Agarwal	2,32,84,820	9.13%	2,32,84,820	9.97%	-0.84%
Sanjay Kumar Agarwal	31,580	0.01%	31,580	0.01%	0.00%
Mahabir Prasad Agarwal	2,525	0.00%	2,525	0.00%	0.00%
<b>Promoter Group Name</b>					
Brij Bhushan Agarwal Huf	22,50,000	0.88%	22,50,000	0.96%	-0.08%
Mittu Agarwal	11,33,750	0.44%	11,33,750	0.49%	-0.04%
Sangita Agarwal	45,000	0.02%	45,000	0.02%	0.00%
Kirandevi Vimal Agrawal	45,000	0.02%	45,000	0.02%	0.00%
Anita Jhunjunwala	45,000	0.02%	45,000	0.02%	0.00%
Bajrang Lal Agarwal	2,500	0.00%	2,500	0.00%	0.00%

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the Group's Board of Directors. Income tax consequences of dividends on financial instruments classified as equity will be recognized according to where the entity originally recognized those past transactions or events that generated distributable profits.

The Group declares and pays dividends in Indian Rupees. Companies are required to pay/ distribute dividend after applicable withholding income taxes. The remittance of dividends outside India is generally governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates

The amount of per share dividend recognized as distribution to equity shareholders in accordance with Companies Act 2013 is as follows:

(₹ in Crores)

Particulars	Year Ended	
	31st March 2022	31st March 2021
Interim dividend for fiscal 2022 (₹2.25 per share)	114.79	-
Final dividend for fiscal 2021 (₹ 2.70 per share)	68.87	-
Interim dividend for fiscal 2021 (₹ 2.25 per share)	-	43.22

Out of the total dividend distributed in FY 2021-22 an amount of ₹ 0.04 Crores is unpaid and is lying in our bank accounts earmarked for dividend payment.

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### g) Details of shareholders holding more than 5% shares in the Company

Equity shares of ₹10 each fully paid up	As at 31st March 2022		As at 31st March 2021	
	No. of shares	Holding	No. of shares	Holding
Subham Buildwell Private Limited	7,05,38,427	27.65%	7,25,97,250	31.08%
Narantak Dealcomm Limited	5,08,93,406	19.95%	5,40,63,340	23.14%
Subham Capital Private Limited	4,07,85,620	15.99%	4,19,94,770	17.98%
Mr. Brij Bhushan Agarwal	2,32,84,820	9.13%	2,32,84,820	9.97%
Kalpataru Housfin & Trading Private Limited	2,14,02,157	8.39%	2,22,19,150	9.51%
Dorite Tracon Private Limited	1,42,16,273	5.57%	1,51,96,665	6.51%

### 18 - Other Equity

(₹ in Crores)

Particulars	Reserve and surplus				Other comprehensive income		Total Attributable to Owners of the parent	Attributable to Non Controlling Interest	Total Other Equity
	Securities Premium	Retained Earnings	Capital Reserves	Other Reserves	FVTOCI Equity Instruments	Remeasurement of the net defined benefit plans			
<b>Balance at 1st April 2021</b>	<b>178.15</b>	<b>2,805.93</b>	<b>384.61</b>	<b>1.10</b>	<b>30.62</b>	-	<b>3,400.41</b>	<b>4.35</b>	<b>3,404.76</b>
Profit / (Loss) for the year	-	1,724.54	-	-	-	-	1,724.54	(0.36)	1,724.18
Profit on sale of Investment	-	-	-	-	(0.28)	-	(0.28)	-	(0.28)
Dividend Paid	-	(183.66)	-	-	-	-	(183.66)	-	(183.66)
Income tax effect	-	-	-	-	(12.61)	0.17	(12.44)	-	(12.44)
Security Premium Received	604.21	-	-	-	-	-	604.21	-	604.21
Acquisition/Disposal of Subsidiaries	-	-	(20.08)	-	-	-	(20.08)	-	(20.08)
Other Comprehensive Income	-	-	-	-	67.24	(0.83)	66.41	-	66.41
Transfer to Retained earnings	-	(0.18)	-	-	-	0.66	0.48	-	0.48
<b>Balance at 31st March, 2022</b>	<b>782.36</b>	<b>4,346.63</b>	<b>364.53</b>	<b>1.10</b>	<b>84.97</b>	-	<b>5,579.59</b>	<b>3.99</b>	<b>5,583.58</b>
<b>Balance at 1st April 2020</b>	<b>178.15</b>	<b>2,006.25</b>	<b>383.87</b>	<b>1.10</b>	<b>23.47</b>	-	<b>2,592.84</b>	<b>4.15</b>	<b>2,596.99</b>
Profit / (Loss) for the year	-	843.34	-	-	-	-	843.34	0.20	843.53
Profit on sale of Investment	-	-	-	-	0.03	-	0.03	-	0.03
Dividend Paid	-	(43.22)	-	-	-	-	(43.22)	-	(43.22)
Income tax effect	-	-	-	-	1.12	(0.12)	1.00	-	1.00
Disposal of Subsidiary	-	0.01	-	-	-	-	0.01	-	0.01
Merger Impact	-	-	0.74	-	-	-	0.74	-	0.74
Transferred to Demerged Division	-	(0.89)	-	-	-	-	(0.89)	-	(0.89)
Other Comprehensive Income	-	-	-	-	6.00	0.56	6.56	-	6.56
Transfer to Retained earnings	-	0.44	-	-	-	(0.44)	-	-	-
<b>Balance at 31st March, 2021</b>	<b>178.15</b>	<b>2,805.93</b>	<b>384.61</b>	<b>1.10</b>	<b>30.62</b>	-	<b>3,400.41</b>	<b>4.35</b>	<b>3,404.75</b>



## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### 18.1

**Securities Premium :** Securities Premium Reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**Capital Reserve :**Capital Reserve arises due to consolidations.

**General Reserve:** General Reserve is created from time to time by way of transfer of profits for appropriation purposes. General Reserve is created by a transfer from one component of equity to another and is not an item of other Comprehensive income.

**Other Comprehensive Income:** Other Comprehensive Income (OCI) represent the balance in equity for items to be accounted under OCI and comprises of the following:

- i) Items that will not be reclassified to Profit and Loss
  - a. The group has elected to recognise changes in the fair value of non-current investments (other than in subsidiaries, associates and joint ventures) in OCI. This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are disposed.
  - b. The actuarial gains and losses arising on defined benefit obligations have been recognised in OCI and transferred immediately in retained earnings.
- ii) Items that will be reclassified to profit and loss. a. This Reserve represents the cumulative effective portion of changes in fair value of currency swap that are designated as cash flow hedge are recognised in OCI. This is reclassified to statement of Profit and Loss.

**Retained Earnings:** Retained earnings generally represents the undistributed profit/ amount of accumulated earnings of the group.

**Note:** Addition to Securities Premium during the year ended 31.03.2022 represents amount received on account of IPO (not of employee discount) ₹ 635.33 Crores reduced by the Group's share of IPO related Expenses ₹ 31.22 Crores (31.03.2021 : NIL)

### 19 - Borrowings (Non-Current)

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
<b>Secured</b>		
<b>Term Loans:</b>		
Foreign currency loan	141.00	123.12
<b>Long term Maturities Of finance lease Obligation</b>		
Commercial Vehicle Loan	1.06	1.19
	<b>142.06</b>	<b>124.31</b>
Less: Current Maturities of Long Term debt	(18.93)	(4.37)
	<b>123.13</b>	<b>119.93</b>
<b>Unsecured</b>		
Loan from related parties	2.70	0.32
<b>Total</b>	<b>125.83</b>	<b>120.25</b>

**Repayment terms and security disclosure for the outstanding long-term borrowings (excluding current maturities) as on 31st March 2022 :**

Hire Purchase Finance and commercial vehicle loan is secured against hypothecation of respective assets

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### (ii) Repayment Terms for Secured Borrowings

(₹ in Crores)

Name of the Bank	Type of loan	Rate of Interest (%) P.A.	As at 31st March 2022	As at 31st March 2021	Repayment Schedule
			Amount	Amount	
ICICI Bank	ECB	6 M USD LIBOR + 4.25 %		4.06	Fully repaid during the period
'Oldenburgische Landesbank AG, Germany	ECB		141.00	119.07	External Commercial Borrowing of EURO 1.86 crores sanctioned amount and disbursed up to 31.03.2022 EURO 1.67 crores (EURO 1.67 crores outstanding) is repayable in 17 (equal) half yearly installments beginning from 30.06.2022 and ending on 30.06.2030
Less : Unamortized upfront fees and reinstatement of loan			-	0.01	
<b>Total</b>			<b>141.00</b>	<b>123.12</b>	

### 19.1

#### Security

- First charge by way of Equitable Mortgage/Registered Mortgage/ English mortgage over all the moveable properties including the land (pertaining to the project) situated at Sangli in the state of Maharashtra.
- First charge by way of hypothecation over all moveable fixed assets of the Project, both present and future.
- Assignments of rights, interest and obligations of the Borrower under the Project Documents, including insurance policies relating to the Project, permits/approvals, clearances related to the Project, both present and future.
- Second charge over all the current assets of the Project, both present and future.
- Exclusive first charge on the equipment (universal rolling mill, separator, universal grinder, Spare part for stock of plant & machinery procured from Achenbach, Germany)

#### Pre-payment terms

Subject to the prevailing guidelines issued by RBI in respect of ECB's, the Borrower may prepay in whole or in part (if in part, minimum amount of USD 1 million, or a higher amount, which is in integral multiples of USD 1 million or if less than the entire outstanding facility) upon 15 business days prior written notice to the Lender along with the prepayment premium of 0.20% of the amount to be prepaid.

Breakage cost.

Hire Purchase Loan is repayable in monthly installments and secured by assets purchased there against.

#### Penalty

There is no penalty clause

### 20 - Other Financial Liabilities (Non-Current)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Security deposits received	1.37	0.86
Retention money	11.05	8.87
<b>Total</b>	<b>12.42</b>	<b>9.73</b>

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### 21 - Provisions (Non-Current)

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for Employee Benefits - Gratuity	12.43	9.42
Provision for Employee Benefits - Leave	1.58	1.17
<b>Total</b>	<b>14.01</b>	<b>10.59</b>

### 22 - Deferred Tax Liabilities (Net)

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
<b>Deferred tax liability arising on account of:</b>		
Difference in value of assets as per books and as per tax	113.71	147.67
Others	1.32	0.49
Fair valuation of mutual funds and investments	23.79	9.71
<b>Deferred tax assets arising on account of:</b>		
Provision on receivables	0.54	(1.01)
Provision for Employee Benefit	(5.41)	(4.64)
Lease Liabilities	(2.05)	(2.30)
Expenditure allowed for tax purpose on payment basis (43B)	-	-
Amortisation of upfront fees (net)	-	0.00
Others	(9.44)	(12.66)
	122.46	137.26
Less: MAT credit Entitlement	(15.18)	(144.02)
<b>Total</b>	<b>107.28</b>	<b>(6.77)</b>

### 23 - Other non current liabilities

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Liability for water charges	170.66	202.63
Deffered revenue grant	0.35	0.41
<b>Total</b>	<b>171.01</b>	<b>203.04</b>

### 24 - Borrowings (Current)

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Current maturities of long term debts	18.93	4.37
<b>Secured</b>		
<b>Loans Repayable on Demand</b>		
<b>From Banks:</b>		
Working Capital- Foreign Currency loan	-	215.93
Working capital - Demand loan	205.13	321.23
Working capital - Cash credit	93.07	68.29
<b>Unsecured</b>		
From Banks	90.00	-
From Body Corporate	0.71	59.33
<b>Total</b>	<b>407.84</b>	<b>669.15</b>

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### 24.1

#### Primary Security

Borrowing from banks are secured, in respect of respective facilities, by way of hypothecation of entire current assets of the Group and further secured by second charge on fixed assets of the Group.

#### Collateral Security

- Hypothecation of the entire movable fixed assets of the Group at Mangalpur unit ranking pari-passu first charge basis with other working capital lenders
- 1st pari passu charge by way of equitable mortgage of factory Land & Building of Mangalpur unit admeasuring 10 acres.
- 2nd pari-passu charge by way of equitable mortgage of factory Land & Building of Jamuria unit admeasuring 309.19 acres.
- Hypothecation of the entire moveable fixed assets of the Group at Jamuria unit ranking pari-passu second charge basis with other working capitals lenders
- Hypothecation of the entire movable fixed assets of the Group at new Aluminium Foil unit at Pakuria (except assets specifically charged to equipment financier, i.e. OLB Bank) ranking pari-passu second charge basis with other working capital lenders.
- Mortgage of factory land and building of the Group measuring about 5.405 acres at Pakuria Aluminium Foil unit ranking pari-passu second charge basis with other working capital lenders.

#### Reconciliation of value of debtors and inventory as per books and as submitted to bankers

(₹ in Crores)

Particulars	Period	Amount as per Financials	Amount as per statement filed with bankers	Difference	Remarks
Eligible Trade Receivables & Inventory	30.06.2021	1,599.14	1,587.79	11.35	Statements are being filed with bankers on the basis of provisional figures since the final figures are made available at a later date. The Group has not claimed Drawing Power(DP) on certain current assets. DP is calculated as per norms of lenders.
	30.09.2021	1,631.00	1,566.81	64.19	
	31.12.2021	1,819.86	1,801.10	18.76	
	31.03.2022	2,414.62	2,405.36	9.26	

#### 24A - Lease Liabilities

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Non Current Lease Liability	5.96	6.01
Current Lease Liability	3.41	0.58
<b>Total</b>	<b>9.37</b>	<b>6.59</b>

#### Borrowings have been drawn at following rate of interest

Particulars	Rate of Interest
Foreign Currency Loan	NA
Working capital borrowings and Cash Credit	7.10% p.a to 8.70% p.a
Short Term Loan	4.35%

#### 25 - Trade Payables

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Due to micro, small and medium enterprises	7.84	3.92
Due to others	1,186.10	363.12
<b>Total</b>	<b>1,193.94</b>	<b>367.04</b>

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Principal amount outstanding as at end of year	7.84	3.92
Principal amount overdue more than 45 days	-	-
Interest due and unpaid as at end of year	-	-
Interest paid to the Supplier	-	-
Payment made to the supplier beyond the appointment date during the year	-	-
Interest due and payable for the year of delay	-	-
Interest accrued and remaining unpaid as at end of year	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

### Trade Payable ageing schedule for the year ended as on March 31, 2022

(₹ in Crores)

Particulars	Not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	7.84	-	-	-	7.84
Others	796.43	369.00	10.36	-	10.30	1,186.10
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
<b>Total Trade Payables</b>	<b>796.43</b>	<b>376.84</b>	<b>10.36</b>	<b>-</b>	<b>10.30</b>	<b>1,193.94</b>

### Trade Payable ageing schedule for the year ended as on March 31, 2021

(₹ in Crores)

Particulars	Not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	3.92	-	-	-	3.92
Others	167.45	191.09	0.48	0.80	3.31	363.14
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
<b>Total Trade Payables</b>	<b>167.45</b>	<b>195.01</b>	<b>0.48</b>	<b>0.80</b>	<b>3.31</b>	<b>367.06</b>

### 26 - Other Financial Liabilities (Current)

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Retention money- Current	10.02	6.73
Interest accrued but not due on borrowings	1.62	0.23
Unpaid Dividend	0.04	-
Accrued Expenses	0.06	0.07
Creditors for capital goods	148.81	17.50
Employee related payables	24.56	23.47
Trade Deposits	15.20	15.21
<b>Total</b>	<b>200.31</b>	<b>63.21</b>

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### 27 - Other Current Liabilities

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Statutory dues	25.30	50.76
Advance from customers	134.85	55.97
Advance from related parties	0.40	-
Audit fee payable	0.01	0.01
Other payable	143.79	188.80
Deferred revenue grant	0.06	0.07
<b>Total</b>	<b>304.41</b>	<b>295.61</b>

### 28 - Provisions (Current)

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Provision for Employee Benefits	0.98	0.61
Provision for Renewable Energy Cess	28.58	28.56
Provision for Leave Encashment	0.19	0.11
<b>Total</b>	<b>29.75</b>	<b>29.28</b>

### 29 - Current Tax Liabilities (Net)

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Provision for tax (Net of provisions)	10.18	7.06
<b>Total</b>	<b>10.18</b>	<b>7.06</b>

### 30 - Revenue from operations

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
<b>Operating revenue</b>		
- Sale of manufactured products	10,154.65	6,137.56
- Sale of services	154.01	79.46
- Sale of Traded Goods	46.89	54.91
- Sale of Power	3.49	3.35
- Sale of Miscellaneous items	5.28	3.74
	<b>10,364.32</b>	<b>6,279.02</b>
<b>Other Operating Revenues</b>		
- Export Incentive received	28.61	17.65
- Other Incentive & Subsidy Received	1.03	0.40
<b>Total</b>	<b>10,393.96</b>	<b>6,297.07</b>

The disaggregation of the group's revenue from contracts with customers is as under:-

#### (i) Geographic market

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
India	8,605.67	5,270.95
Outside India	1,758.64	1,008.54
<b>Total</b>	<b>10,364.31</b>	<b>6,279.49</b>

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

(ii) The following table provides information about receivables, contract asset and contract liabilities from contracts with customers:-

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Receivable which are included in Trade and other receivables	375.82	533.54
Contract liabilities	133.93	55.97
<b>Total</b>	<b>509.75</b>	<b>589.51</b>

(iii) Performance Obligation

The group recognises revenue from sale of goods at the point in time when control of the goods is transferred to the customers, generally on delivery of the goods and the performance obligation of the group is satisfied upon delivery of the goods to the customers.

### 31 - Other Income

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
<b>Non- operating Income</b>		
<b>Recurring Income</b>		
Interest received on financial assets carried at amortised cost		
- Deposits	14.51	8.06
- Loans	-	1.01
- Bond	3.35	0.40
- Others	5.31	-
Interest from AIF/ Bond	4.26	2.02
Net Gain on sale of Investments measured at cost through Profit and Loss	16.45	1.33
Net Gain on sale of Investments measured at fair value through Profit and Loss	0.03	-
- Mutual Fund	13.42	1.01
- Bond	(1.08)	0.06
Net Gain/ (Loss) on reinstatement of Investments measured at fair value through Profit and Loss		
- Mutual Fund and Non Convertible debentures/Bond	0.33	8.53
Dividend received on Shares	0.20	0.08
Profit on sales of Property, Plant and Equipment	0.21	-
Insurance claim received	-	0.50
Rent	2.02	-
Others	1.00	0.72
<b>Total</b>	<b>60.01</b>	<b>23.72</b>

### 32 - Cost of material consumed

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Opening stock	726.12	1,133.70
Add: Purchases	7,373.10	3,327.52
	<b>8099.22</b>	<b>4,461.22</b>
Less: Sales	75.58	18.36
Less: Closing Stock	1,562.77	726.12
<b>Total</b>	<b>6,460.87</b>	<b>3,716.74</b>



## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### 33 - Changes in Inventories

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
<b>Opening Stock</b>		
Finished Goods	198.56	240.30
Work-in-progress	2.53	2.49
Traded Goods	6.20	8.44
By-Products	32.08	37.12
	<b>239.37</b>	<b>288.35</b>
<b>Closing Stock</b>		
Finished Goods	377.14	198.56
Work-in-progress	12.69	2.53
Traded Goods	2.99	6.20
By-Products	27.42	32.08
	<b>420.24</b>	<b>239.37</b>
<b>(Increase)/ Decrease in Inventories</b>	<b>(180.87)</b>	<b>48.98</b>

### 34 - Employee Benefits Expense

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Salaries and Wages	229.92	175.66
Contribution to provident and other funds	11.27	7.84
Staff welfare expenses	5.37	4.64
<b>Total</b>	<b>246.56</b>	<b>188.14</b>

### 35 - Finance costs

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Interest Expense		
- On Borrowings	15.18	43.64
- Interest Expenses for lease liability	0.25	0.19
Exchange difference to the extent considered as an adjustment to borrowing costs	-	0.24
Other Borrowing Costs	7.73	18.39
<b>Total</b>	<b>23.16</b>	<b>62.46</b>

### 36 - Depreciation and amortisation Expense

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Depreciation	271.05	298.97
Depreciation on Right to use assets	0.21	1.18
Amortisation	1.14	0.21
<b>Total</b>	<b>272.40</b>	<b>300.36</b>

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### 37 - Other expenses

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Rent	43.83	27.55
Rates and taxes	97.32	93.14
Power, fuel and electricity	288.91	252.17
Consumption of stores and spares parts	446.54	292.03
<b>Repairs</b>		
Building	14.27	2.78
Machinery	13.01	10.39
Others	9.37	5.62
Insurance	6.46	5.86
Brokerage and commission on sales	17.81	13.34
Advertisement and publicity expenses	9.58	10.18
Legal and professional	22.21	8.04
Charity and donations	0.13	-
Loss on sale of Property, plant and equipments	1.11	-
Labour charges	108.36	84.94
Freight and Forwarding expenses	130.10	64.63
Payment to auditor	0.49	0.35
Corporate Social Responsibility	27.67	13.96
Loss on sale of Investments measured at fair value through Profit and Loss(Net)	0.66	-
Loss on Forward Contracts(Net)	(9.63)	(8.08)
Allowances for credit losses	0.09	(3.45)
Sundry Balances written off	(11.57)	7.48
Irrecoverable Debts, Claims and Advances Written Off	(11.00)	(11.61)
Foreign Exchange Fluctuation loss (net of gain)	(21.34)	(29.96)
Miscellaneous expenses	50.74	42.50
<b>Total</b>	<b>1,235.12</b>	<b>881.86</b>

### 38 - Income Tax Expense

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
<b>i) Current tax</b>		
Current tax	539.46	266.56
<b>Total</b>	<b>539.46</b>	<b>266.56</b>
<b>ii) Deferred tax</b>		
Deferred tax (Liability Reversal)	(8.18)	(56.32)
<b>Less: MAT Credit</b>	<b>(108.89)</b>	<b>(1.16)</b>
<b>Total</b>	<b>100.71</b>	<b>(55.16)</b>

### 39 - Earnings per Equity Share

The Group's Earnings Per Share (EPS) is determined based on the net profit / (loss) attributable to the shareholders of the group. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during that particular year including share options, except where the result would be anti-dilutive.

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
<b>Net Profit / (Loss) attributable to equity shareholders</b>		
Profit for the year	1,724.54	843.34
Nominal value of equity shares (₹)	10.00	10.00
Weighted average number of equity shares for basic & Diluted EPS	25,02,57,159	23,36,10,100
<b>Basic &amp; Diluted earnings per share (₹)</b>	<b>68.91</b>	<b>36.10</b>

### 40 - Significant accounting judgments, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements:

#### Useful Life

In preparation of the financial statements, the Group makes judgments, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Significant judgments and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

#### Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### 41 - Commitments & Contingent Liabilities

#### (a) Capital commitments

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	440.92	315.63

#### (b) Contingent Liabilities

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
<b>Claims against the group not acknowledged as debt:</b>		
Excise Duty	114.44	111.81
Service Tax	2.02	0.39
Customs Duty	13.39	4.69
Sales Tax/VAT	18.82	24.34
ESI	0.14	0.14
<b>Other money for which the group is contingently liable:</b>		
Unredeemed bank guarantees on behalf of the joint venture company	0.65	94.76
Other unredeemed bank guarantees	204.97	47.61
Bills discounted with banks	55.94	106.37
<b>Total</b>	<b>410.39</b>	<b>390.10</b>

(i)Based on discussion with the solicitors / favourable decisions in similar cases / legal opinion taken by the Group, the management believes that the Group has good chance of success in above mentioned cases and hence no provision there against is considered necessary.

### 42 - Employee Benefit Obligations

(₹ in Crores)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Provident Fund	7.40	4.78
<b>Total</b>	<b>7.40</b>	<b>4.78</b>

#### Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied with the number of years of service.

The weighted average duration of the defined benefit plan obligations at the end of the reporting period is 5.86 years (31st March 2021 - 7.02 years)

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

#### Changes in defined benefit obligation

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Present value of obligation as at the beginning of the year	10.03	8.58
Interest cost	0.69	0.60
Current service cost	2.61	1.84
Benefits paid	(0.90)	(0.31)
Actuarial loss/(gain) on obligations	0.98	(0.68)
<b>Present value obligation as at the end of the year</b>	<b>13.41</b>	<b>10.03</b>

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### Breakup of actuarial gain/loss:

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Actuarial (gain)/loss arising from change in demographic assumption	-	-
Actuarial (gain)/loss arising from change in financial assumption	0.18	0.15
Actuarial (gain)/loss arising from experience adjustment	0.81	(0.81)

### Reconciliation of present value of defined benefit obligation and the fair value of plan assets

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Present value obligation as at the end of the year	13.41	10.03
<b>Net asset recognized in balance sheet</b>	<b>(13.41)</b>	<b>(10.03)</b>

### Amount recognized in the statement of profit and loss

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Current service cost	2.61	1.84
Interest cost	0.69	0.60
<b>Amount recognized in the statement of profit and loss</b>	<b>3.30</b>	<b>2.44</b>

### Amount recognized in the statement of Other Comprehensive Income

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Actuarial gain/(loss) for the year on planned benefit obligations	0.98	(0.68)
<b>Actuarial gain/(loss) at the end of the year</b>	<b>0.98</b>	<b>(0.68)</b>

### Actuarial assumptions

Particulars	31st March 2022	31st March 2021
Discount rate	7.10% p.a.	6.90% p.a.
Future salary increase	5.50% p.a.	5.50% p.a.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms of maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

### Sensitivity analysis for gratuity liability

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	1.21	10.03
a) Impact due to increase of 1.00 %	12.22	9.12
b) Impact due to decrease of 1.00 %	14.81	11.09
<b>Impact of Change in Withdrawal Rate</b>		
Present value of obligation at the end of the year	13.41	10.03
a) Impact due to increase of 1.00 %	13.47	10.07
b) Impact due to decrease of 1.00 %	13.34	9.98
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	1.21	10.03
a) Impact due to increase of 1.00 %	14.84	11.12
b) Impact due to decrease of 1.00 %	12.16	9.08

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### Leave

#### Changes in defined benefit obligation

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Present value of obligation as at the beginning of the year	1.28	0.21
Interest cost	0.09	0.02
Current service cost	0.48	0.39
Past Service Cost	-	0.66
Benefits paid	(0.08)	(0.09)
Actuarial loss/(gain) on obligations	0.01	0.09
<b>Present value obligation as at the end of the year</b>	<b>1.78</b>	<b>1.28</b>

#### Reconciliation of present value of defined benefit obligation and the fair value of plan assets

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Present value obligation as at the end of the year	1.77	1.28
<b>Net asset recognized in balance sheet</b>	<b>1.77</b>	<b>1.28</b>

#### Amount recognized in the statement of profit and loss

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Current service cost	0.48	0.39
Past Service Cost	-	0.66
Interest cost	0.02	0.02
Expected return on plan assets	-	-
<b>Amount recognized in the statement of profit and loss</b>	<b>0.50</b>	<b>1.07</b>

#### Actuarial assumptions

Particulars	31st March 2022	31st March 2021
Discount rate	6.90% p.a.	6.90% p.a.
Disability rate	5% of Mortality rate	5% of Mortality rate
Retirement Age	58 Years	58 Years
Future salary increase	5.50% p.a.	5.50% p.a.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms of maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### 43 - Financial Instruments by Category

For amortised cost instruments, carrying value represents the best estimate of fair value.

(₹ in Crores)

Particulars	31st March 2022				31st March 2021			
	FVTPL	FVOCI	Amortised cost	Total	FVTPL	FVOCI	Amortised cost	Total
<b>Financial Assets</b>								
Investment in equity instruments	-	121.78	-	121.78	0.15	58.82	-	58.97
Investment in mutual funds	507.30	-	-	507.30	195.76	-	-	195.76
Investment in Bonds/Debenture	405.18	-	-	405.18	9.85	-	4.96	14.81
Investment in government securities	-	-	0.10	0.10	-	-	0.10	0.10
Trade receivables	-	-	376.10	376.10	-	-	533.54	533.54
Loans	-	-	172.89	172.89	-	-	16.18	16.18
Security deposit	-	-	49.48	49.48	-	-	15.46	15.46
Cash and cash equivalents	-	-	91.90	91.90	-	-	163.84	163.84
Other financial asset	-	-	70.52	70.52	-	-	74.65	74.65
Margin money	-	-	258.77	258.77	-	-	196.96	196.96
<b>Total</b>	<b>912.48</b>	<b>121.78</b>	<b>1,019.76</b>	<b>2,054.02</b>	<b>205.76</b>	<b>58.82</b>	<b>1,005.69</b>	<b>1,270.27</b>
<b>Financial Liabilities</b>								
Borrowings	-	-	533.67	533.67	-	-	789.43	789.43
Trade payable	-	-	1,193.94	1,193.94	-	-	367.06	367.06
Security deposit	-	-	1.37	1.37	-	-	9.73	9.73
Other financial liabilities	-	-	211.36	211.36	-	-	59.30	59.30
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,940.34</b>	<b>1,940.34</b>	<b>-</b>	<b>-</b>	<b>1,225.52</b>	<b>1,225.52</b>

#### (a) Fair value hierarchy

##### Financial assets and liabilities measured at fair value - recurring fair value measurement

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
<b>Financial Assets</b>		
<b>Financial investments at FVOCI</b>		
Unquoted equity instruments	121.78	58.82
<b>Financial investments at FVTPL</b>		
Mutual Fund	507.30	195.76
<b>Total</b>	<b>629.08</b>	<b>254.58</b>



## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

Financial assets and liabilities measured at fair value and amortised cost for which fair values are disclosed (₹ in Crores)

Particulars	31st March 2022			31st March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Mutual funds	507.30	-	-	195.76	-	-
Bonds	-	-	-	-	4.96	-
Unquoted equity instruments	-	121.78	-	-	58.97	-
Investment in Government Securities	-	0.10	-	-	0.10	-
<b>Total</b>	<b>507.30</b>	<b>121.88</b>	<b>-</b>	<b>195.76</b>	<b>64.04</b>	<b>-</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	533.67	-	-	789.43
<b>Total</b>	<b>-</b>	<b>-</b>	<b>533.67</b>	<b>-</b>	<b>-</b>	<b>789.43</b>

**Level 1 :** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

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

**Level 3 :** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

(b) **Fair value of financial assets and liabilities measured at amortised cost, FVTPL and FVTOCI** (₹ in Crores)

Particulars	31st March 2022		31st March 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial Assets</b>				
<b>Carried at FVOCI</b>				
Investments in equity instruments	121.78	121.78	58.97	58.97
<b>Carried at amortised cost</b>				
Trade receivables	376.10	376.10	533.54	533.54
Loans	172.89	172.89	16.18	16.18
Security deposit	49.48	49.48	15.46	15.46
Cash and cash equivalents	91.90	91.90	163.84	163.84
Other financial asset	70.52	70.52	74.65	74.65
Margin money	258.77	258.77	196.96	196.96
Investment in Bonds	405.18	405.18	14.81	14.81
Investment in Government Securities	0.10	0.10	0.10	0.10
<b>Carried at FVTPL</b>				
Investments in mutual funds	507.30	507.30	195.76	195.76
<b>Total</b>	<b>2,054.02</b>	<b>2,054.02</b>	<b>1,270.27</b>	<b>1,270.27</b>

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

(₹ in Crores)

Particulars	31st March 2022		31st March 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial Liabilities</b>				
<b>Carried at amortised cost</b>				
Borrowings	533.67	533.67	789.43	789.43
Trade payable	1,193.94	1,193.94	367.06	367.06
Security deposit	1.37	1.37	9.73	9.73
Other financial liabilities	211.36	211.36	59.30	59.30
<b>Total</b>	<b>1,940.34</b>	<b>1,940.34</b>	<b>1,225.52</b>	<b>1,225.52</b>

### (c) Fair value measurements

- (i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.
- (ii) Investments carried at fair value are generally based on market price quotations. Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.
- (iii) Fair value of borrowings which have a quoted market price in an active market is based on its market price which is categorized as level 1. Fair value of borrowings which do not have an active market or are unquoted is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities which is categorized as level 2 in the fair value hierarchy.
- (iv) Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

### 44 - Financial risk management objectives and policies

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's financial assets include investments, loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The group's senior management oversees the management of these risks. The group's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the group. This financial risk committee provides assurance to the group's senior management that the group's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

#### (A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings in foreign currencies.

##### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

interest rates.

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Variable rate borrowings	298.19	471.96
Fixed rate borrowings	91.77	317.46

### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the group's profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Crores)

Particulars	Effect on Profit before tax	
	31st March 2022	31st March 2021
Increase by 50 basis points (31 March 2021: 50 bps)	(1.49)	(2.36)
Decrease by 50 basis points (31 March 2021 50 bps)	1.49	2.36

### b) Foreign currency risks

The group's functional currency is Indian Rupees (INR). The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Group's revenue from export markets and the costs of imports, primarily in relation to raw materials. The Group is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Group's overall debt position in Rupee terms without the Group having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Group's receivables in foreign currency.

### Exposure to Currency Risk

The group's exposure to foreign currency risk at the end of the reporting period are as follows:

(₹ in Crores)

Nature of Item	Currency	31st March 2022		31st March 2021	
		Value In Foreign Currency	Value In INR	Value In Foreign Currency	Value In INR
Buyer's Credit	USD (\$)	-	-	-	-
Creditors	USD (\$)	5.21	391.56	1.49	108.87
Supplier's Credit	USD (\$)	5.90	447.30	0.67	49.01
Supplier's Credit	EURO	0.14	12.05	0.07	6.39
Debtors	USD (\$)	0.02	1.74	5.07	331.40
Debtors	EURO	-	-	0.01	1.15
Term Loan	USD (\$)	-	-	0.06	4.06
Term Loan	EURO	1.67	141.00	1.38	119.07
Working Capital Demand Loan / Packing Credit	USD (\$)	-	-	2.94	215.93
Interest Accrued but not due	EURO	0.00	0.03	0.00	0.02
Interest Accrued but not due	USD (\$)	0.01	0.62	0.00	0.07

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the group's profit/(loss) before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Crores)

Particulars	Effect on Profit/(Loss) before tax	
	31st March 2022	31st March 2021
<b>USD Sensitivity</b>		
Increase by 5% (31st March 2021 - 5%)	(41.89)	(2.33)
Decrease by 5% (31st Mar 2021 - 5%)	41.89	2.33

(₹ in Crores)

Particulars	Effect on Profit/(Loss) before tax	
	31st March 2022	31st March 2021
<b>EURO Sensitivity</b>		
Increase by 5% (31st March 2020 - 5%)	(7.65)	(6.22)
Decrease by 5% (31st March 2020 - 5%)	7.65	6.22

### B) Credit risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

The group has a policy of dealing only with credit worthy counter parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents, derivatives and financial guarantees provided by the Group. None of the financial instruments of the Group result in material concentration of credit risk.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 2073.44 Crores and ₹ 1270.49 Crores as at March 31, 2022 and March 31, 2021 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments in debt securities and other financial assets.

#### (i) Trade receivables

Customer credit risk is managed by each business location subject to the group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount. Any Credit risk is curtailed with arrangements with third parties.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10. The Group does not hold collateral as security.

#### (ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the group's treasury department in accordance with the group's policy. Investment of surplus funds are made only with approved counterparties. The group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2022 and March 31, 2021 is the carrying amount as illustrated in Note 43.

### (C) Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group monitors its

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

risk of a shortage of funds by estimating the future cash flows. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.

The Group has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Group has access to funds from debt markets through commercial paper programs, non-convertible debentures and other debt instruments. The Group invests its surplus funds in bank fixed deposit and in mutual funds, which carry no or low market risk.

The Group monitors its risk of a shortage of funds by estimating the future cash flows. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.

**The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments -**

(₹ in Crores)

Particulars	Upto 1 year	1 to 2 years	3 to 5 years	More than 5 years	Total
<b>Period ended 31st March 2022</b>					
Contractual maturities of borrowings	425.46	37.65	55.63	11.27	530.01
Contractual maturities of trade payables	751.12	10.36	10.30	-	771.79

(₹ in Crores)

Particulars	Upto 1 year	1 to 2 years	3 to 5 years	More than 5 years	Total
<b>Period ended 31st March 2021</b>					
Contractual maturities of borrowings	669.56	19.12	57.06	43.68	789.42
Contractual maturities of trade payables	367.04	-	-	-	367.04

### 45 - Ind As 116

(i) Carrying value of Right-of-use assets by class:

The Group has lease contracts for land and buildings used in its operations. For Buildings the lease term generally varies between 2 to 5 years and for land it can extend upto 90 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

Set out below are the carrying amounts of right-to-use assets recognised and the movement during the period:

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
<b>Opening balance</b>	42.69	43.16
<b>Addition during the year</b>		
Leasehold Land	24.01	-
Leasehold Building	0.74	0.71
<b>Depreciation Expense</b>		
Leasehold Land	0.46	0.45
Leasehold Building	0.97	0.73
<b>Closing balance</b>	66.01	42.69

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

Set out below are the carrying amounts of lease liabilities and the movements during the year:

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
<b>As at 1st April 2021</b>	6.59	6.38
Addition during the year	3.48	0.71
Add: Finance Cost	0.40	0.37
Less: Rent	1.09	0.87
<b>As at 31st March 2022</b>	<b>9.39</b>	<b>6.59</b>

The Group has not applied Ind As 116 on low value assets and short term leases.

### 46 -COVID 19 Financial Impact

In March 2020, the WHO declared COVID - 19 outbreak as a pandemic which continues to spread across the country. On 25th March 2020, the Government of India had declared this pandemic a health emergency and ordered temporary closure of all non-essential businesses and imposed restrictions on movement of goods/material, travel etc. The Group has been allowed to continue its operations as majority of its plant falls under continuous process industry. However, disruptions of businesses world wide and economic slowdown may have its eventual impact on the Group. The group has made initial assessment of likely adverse impact on economic environment in general and financial risk on account of COVID-19. Further, Reserve Bank of India has granted relief to borrowers by way of moratorium of interest and principal instalments falling due to banks and financial institutions till August 2020. This will largely mitigate the stress cash flows of the group during the period of COVID-19. In assessing the recoverability of Trade Receivables measured at amortised cost and inventories at realisable value as stated in the standalone financial statements, the Group has considered internal and external information upto the date of approval of these financial results. Based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The impact of this pandemic may be different from that estimated as at the date of approval of these financial results and the group will continue to closely monitor any material changes in future economic conditions.

On Long term basis also, the group does not anticipate any major challenge in meeting its financial obligations. The management has estimated its future cash flows which indicate no major change in financial performance as estimated prior to COVID-19 impact.

### 47 - Related Party Disclosure (As per Ind AS-24 - Related Party Disclosures)

Particulars	31st March 2022	31st March 2021
<b>Subsidiary Company</b>	Shyam Sel And Power Limited Damodar Aluminium Private Limited (Upto 09/09/2021) Renaissance Hydro Power Private Limited (Upto 09/09/2021) Singhbhum Steel & Power Private Limited (Upto 09/09/2021) Kalinga Infra Projects Limited (Upto 09/09/2021)	Damodar Aluminium Private Limited Renaissance Hydro Power Private Limited Singhbhum Steel & Power Private Limited Kalinga Infra Projects Limited Shyam Sel And Power Limited Shyam Ores (Jharkhand) Private Limited
<b>Step-down Subsidiary Company</b>	Hrashva Storage And Warehousing Private Limited Shyam Energy Limited Taurus Estates Private Limited Whispering Developers Private Limited Meadow Housing Private Limited Nirjhar Commercials Private Limited	Hrashva Storage And Warehousing Private Limited Shyam Energy Limited Taurus Estates Private Limited Whispering Developers Private Limited Meadow Housing Private Limited Nirjhar Commercials Private Limited

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

Particulars	31st March 2022	31st March 2021
	Shree Sikhar Iron & Steel Private Limited Shree Venkateshwara Electrocast Pvt Ltd (w.e.f. 31/08/2021) Platinum Minmet Private Limited (w.e.f. 01/07/2021)	Shree Sikhar Iron & Steel Private Limited
<b>Associates</b>	Meghana Vyapar Private Limited Kecons Tradecare Private Limited (upto 09/09/2021) Kolhan Complex Private Limited (upto 09/09/2021)	Meghana Vyapar Private Limited Kecons Tradecare Private Limited (upto 09/09/2021) Kolhan Complex Private Limited (upto 09/09/2021)
<b>Joint Venture</b>	Mjsj Coal Limited Kalinga Energy and Power Limited	Mjsj Coal Limited Kalinga Energy and Power Limited
<b>Enterprises over which Key Management Personnel (KMP) are able to exercise control /significant influence with whom there were transactions/ balance during the year:</b>	Platinum Minmet Private Limited (upto 30/6/2021) Dorite Tracon Private Limited Shyam Solar Appliance Private Limited Narantak Dealcomm Limited Shyam Ferro Alloys Limited Swarnrekha Abasan Private Limited Shyam Emco Infrastructure Limited Sunglow Complex Private Limited Subham Capital Private Limited Brij Bhusan Agarwal & Sons Huf Toplight Mercantiles Private Limited Kalpataru Housefin & Trading Private Limited Subham Capital Private Limited Subhlabh Commercials Private Limited Britasia Hydro Power Private Limited Essel Plywood Private Limited Shyam Century Multiprojects Private Limited Shyam Greenfield Developers Private Limited Sindbad Hydro Power Limited S.S. Natural Resources Private Limited Improved Realtors Private Limited Elysian Beautification Private Limited	Platinum Minmet Private Limited Dorite Tracon Private Limited Shyam Solar Appliance Private Limited Narantak Dealcomm Limited Shyam Ferro Alloys Limited Swarnrekha Abasan Private Limited Shyam Emco Infrastructure Limited Sunglow Complex Private Limited Subham Capital Private Limited Brij Bhusan Agarwal & Sons Huf Toplight Mercantiles Private Limited Kalpataru Housefin & Trading Private Limited Subham Capital Private Limited Subhlabh Commercials Private Limited Britasia Hydro Power Private Limited Essel Plywood Private Limited Shyam Century Multiprojects Private Limited Shyam Greenfield Developers Private Limited Sindbad Hydro Power Limited S.S. Natural Resources Private Limited Improved Realtors Private Limited
<b>Key Management Personnel:</b>	Mr. Brij Bhushan Agarwal (Vice Chairman and Managing Director) Mr. Sanjay Kumar Agarwal (Joint Managing Director) Mr. Bhagwan Shaw (Director) Mr. Dev Kumar Tiwari (Director) Mr. Deepak Kumar Agarwal (Director) Mr. Birendra Kumar Jain(Company Secretary) Mr. Shree Kumar Dujari (Chief Financial Officer)	Mr. Brij Bhushan Agarwal (Vice Chairman and Managing Director) Mr. Sanjay Kumar Agarwal (Joint Managing Director) Mr. Bhagwan Shaw (Director) Mr. Dev Kumar Tiwari (Director) Mr. Deepak Kumar Agarwal (Director) Mr. Birendra Kumar Jain(Company Secretary) Mr. Shree Kumar Dujari (Chief Financial Officer)



## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

Particulars	31st March 2022	31st March 2021
	Mr. Mahabir Prasad Agarwal (Director)	Mr. Mahabir Prasad Agarwal (Director)
	Mr. Bajrang Lal Agarwal (Director Sspl)	Mr. Bajrang Lal Agarwal (Director Sspl)
	Mr. Venkata Krishna Nageswara Rao Majji (Director)	Mr. Venkata Krishna Nageswara Rao Majji (Director)
	Mr. Ashok Kumar Jaiswal (Director)	Mr. Ashok Kumar Jaiswal (Director)
	Mr. Yudhvir Singh Jain (Director)	Mr. Yudhvir Singh Jain (Director)
	Mr. Kishan Gopal Baldwa (Director)	Mr. Kishan Gopal Baldwa (Director)
	Mr. Ajay Choudhury (Director)	Mr. Ajay Choudhury (Director)
	Mr. Susmit Changia ( Cfo Sspl)	Mr. Susmit Changia ( Cfo Sspl)
	Mrs. Kiran Vimal Agarwal (Director)	Mrs. Kiran Vimal Agarwal (Director)
	Mrs. Rajni Mishra (Director)	Mrs. Rajni Mishra (Director)
Particulars	31st March 2022	31st March 2021
Relatives to Key Management Personnel:	Relative's Name - Relation	Relative's Name - Relation
	Mrs. Sumitra Devi Agarwal- Wife of Shri Mahabir Prasad Agarwal	Mrs. Sumitra Devi Agarwal- Wife of Shri Mahabir Prasad Agarwal
	Mrs. Mittu Agarwal - Wife of Mr. Brij Bhushan Agarwal	Mrs. Mittu Agarwal - Wife of Mr. Brij Bhushan Agarwal
	Mrs. Sangeeta Agarwal - Sister of Mr. Brij Bhusan Agarwal	Mrs. Sangeeta Agarwal - Sister of Mr. Brij Bhusan Agarwal
	Mrs. Anita Jhunjhunwala - Daughter of Mr. Mahabir Prasad Agarwal	Mrs. Anita Jhunjhunwala - Daughter of Mr. Mahabir Prasad Agarwal
	Mrs. Bina Devi Agarwal - Wife of Mr. Bajrang Lal Agarwal	Mrs. Bina Devi Agarwal - Wife of Mr. Bajrang Lal Agarwal
	Mrs. Pooja Agarwal - Wife of Mr. Sanjay Kumar Agarwal	Mrs. Pooja Agarwal - Wife of Mr. Sanjay Kumar Agarwal
	Mr. Shubham Agarwal - Son of Mr. Brij Bhusan Agarwal	Mr. Shubham Agarwal - Son of Mr. Brij Bhusan Agarwal
	Mrs. Vandana Dujari - Wife of Mr. Shree Kumar Dujari	Mrs. Vandana Dujari - Wife of Mr. Shree Kumar Dujari
	Mr. Bajrang Lal Agarwal - Father of Mr. Sanjay Kumar Agarwal	Mr. Bajrang Lal Agarwal - Father of Mr. Sanjay Kumar Agarwal
	Mr. Mahabir Prasad Agarwal - Father of Mr. Brij Bhushan Agarwal	Mr. Mahabir Prasad Agarwal - Father of Mr. Brij Bhushan Agarwal
	Mr. Divyansh Agarwal - Son of Mr. Sanjay Agarwal	Mr. Divyansh Agarwal - Son of Mr. Sanjay Agarwal
	Mr. Sheetij Agarwal - Son of Mr. Brij Bhushan Agarwal	Mr. Sheetij Agarwal - Son of Mr. Brij Bhushan Agarwal

Disclosure of Related Party Transactions provides information about the Group's structure. The following tables provide the total amount of transactions that have been entered into with related parties for the relevant financial year.

### Terms and conditions of transactions with related parties:

The sales and purchase from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balance at the year-end are unsecured and interest free and settlement occurs in cash. For the period ended March 31,2022., the Group has not recorded any impairment of receivables relating to amounts owed by related parties (March 31,2022.: **NIL**). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

(₹ in Crores)

Type of Transactions	Subsidiary, Associates and Joint Venture		Enterprises over which Key Management Personnel and / or their relatives have significant influence		TOTAL	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>1. Sale of Goods</b>						
Shyam Sel and Power Limited	229.81	122.92	-	-	229.81	122.92
Shree Venkateshwara Electrocast Private Limited	0.47	-	-	-	0.47	-
Hrashva Storage and Warehousing Private Limited (w.e.f. 11.04.2019)	-	4.48	-	-	-	4.48
Shyam Ferro Alloys Limited	-	-	5.38	17.71	5.38	17.71
<b>2. Purchase of Licence</b>						
Shyam Sel and Power Limited	-	0.15	-	-	-	0.15
<b>3. Sale of Licence</b>						
Shyam Sel and Power Limited	-	0.21	-	-	-	0.21
<b>4. Office Maintenance (Expense)</b>						
Improved Realtors Private Limited	0.04	-	-	0.04	0.04	0.04
<b>5. Purchase of Goods</b>						
Shyam Ferro Alloys Limited	-	-	2.05	0.84	2.05	0.84
Platinum Minment Pvt. Ltd.	1.08	-	-	-	1.08	-
Shree Venkateshwara Electrocast Private Limited	0.22	-	-	-	0.22	-
Kalinga Infra Projects Limited	7.06	-	-	-	7.06	-
Shyam Sel and Power Limited	133.03	44.88	-	-	133.03	44.88
Shyam Solar Appliance Private Limited	-	-	-	18.76	-	18.76
<b>6. Dividend Received</b>						
Shyam Sel and Power Limited	61.78	44.13	-	-	61.78	44.13
<b>7. Dividend Paid</b>						
Narantak Dealcomm Limited	-	-	36.64	10.00	36.64	10.00
Brij Bhushan Agarwal	-	-	16.77	4.31	16.77	4.31
Mittu Agarwal	-	-	0.82	0.21	0.82	0.21
Kirandevi Vimal Agrawal	-	-	0.03	0.01	0.03	0.01
Sangeeta Agarwal	-	-	0.03	0.01	0.03	0.01
Brij Bhusan Agarwal & Sons HUF	-	-	1.62	0.42	1.62	0.42
Subham Buildwell Private Limited	-	-	50.79	13.43	50.79	13.43
Toplight Mercantiles Private Limited	-	-	0.50	0.13	0.50	0.13
Kalpataru Housefin & Trading Private Limited	-	-	15.41	4.11	15.41	4.11
Anita Jhunjhunwala	-	-	0.03	0.01	0.03	0.01
Bajrang Lal Agarwal	-	-	0.00	0.00	0.00	0.00
Sanjay Kumar Agarwal	-	-	0.02	0.01	0.02	0.01
Subham Capital Private Limited	-	-	29.37	7.77	29.37	7.77
Dorite Tracon Private Limited	-	-	10.24	2.81	10.24	2.81

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

(₹ in Crores)

Type of Transactions	Subsidiary, Associates and Joint Venture		Enterprises over which Key Management Personnel and / or their relatives have significant influence		TOTAL	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>8. Rent Received (Net of TDS)</b>						
Narantak Dealcomm Limited	-	-	0.04	0.04	0.04	0.04
Singhbhum Steel & Power Private Limited	-	0.01	-	-	-	0.01
Subham Capital Private Limited	-	-	0.05	0.05	0.05	0.05
<b>9. Rent Paid (Net of TDS)</b>						
Toplight Mercantile Private Limited	-	-	0.06	0.06	0.06	0.06
Improved Realtors Private Limited	0.02	-	-	0.02	0.02	0.02
Hrashva Storage and Warehousing Private Limited (w.e.f. 11.04.2019)	0.03	0.03	-	-	0.03	0.03
<b>10. Transactions with KMP</b>						
Salaries and other benefits to directors and executive officers	-	-	8.23	7.48	8.23	7.48
Advances to Directors	-	-	0.90	-	0.90	-
<b>11. Sitting fees paid to independent directors</b>						
Mr. Ashok Kumar Jaiswal	-	-	0.04	-	0.04	-
Mr. Yudhvir Singh Jain	-	-	0.03	-	0.03	-
Mr. Ajay Choudhury	-	-	0.02	-	0.02	-
Mr. Venkat Krishna Nageshwara Rao Majji	-	-	0.01	-	0.01	-
Mr. Kishan Gopal Baldwa	-	-	0.03	-	0.03	-
Mr. Rajni Mishra	-	-	0.02	-	0.02	-
<b>12. Purchase of Investments</b>						
Shyam Sel & Power Limited	0.10	-	-	-	0.10	-
Dorite Tracon Private Limited	-	-	4.85	-	4.85	-
Shree Venkateshwara Electrocast Private Limited	1.69	-	-	-	1.69	-
Narantak Dealcomm Limited	-	-	0.71	-	0.71	-
Subham Capital Private Limited	-	-	0.36	-	0.36	-
<b>13. Sale of Investments</b>						
Nirjhar Commodities Private Limited	-	-	-	-	-	-
Narantak Dealcomm Limited	14.88	-	5.96	-	20.84	-
Subham Capital Private Limited	-	-	0.36	-	0.36	-
Dorite Tracon Private Limited	4.57	-	-	-	4.57	-
Shyam Sel and Power Limited	0.30	-	-	-	0.30	-
<b>14. Reimbursement of Expenses</b>						
Narantak Dealcomm Limited	-	-	0.00	-	0.00	-
Kalinga Infra Projects Limited	0.00	-	-	-	0.00	-
Shyam Sel and Power Limited	5.76	-	-	-	5.76	-
Elysian Beautification Private Limited	-	-	0.37	0.03	0.37	0.03
Shyam Emco Infrastructure Limited	-	-	0.00	-	0.00	-

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

(₹ in Crores)

Type of Transactions	Subsidiary, Associates and Joint Venture		Enterprises over which Key Management Personnel and / or their relatives have significant influence		TOTAL	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>15. Advances Given/Refunded</b>						
Shyam Sel and Power Limited	406.88	498.54	-	-	406.88	498.54
Kalinga Infra Projects Limited (w.e.f 19.8.19)	-	18.39	-	-	-	18.39
Hrashva Storage and Warehousing Private Limited (w.e.f. 11.04.2019)	14.25	43.94	-	-	14.25	43.94
Shyam Ores (Jharkhand) Private Limited	-	0.12	-	-	-	0.12
Shree Sikhar Iron & Steel Private Limited	6.33	-	-	-	6.33	-
Britasia Hydro Power Private Limited	-	-	-	0.02	-	0.02
Shyam Century Multiprojects Private Limited	-	-	-	0.00	-	0.00
Platinum Minment Private Limited	32.90	-	-	-	32.90	-
Dorite Tracon Private Limited	-	-	26.43	34.17	26.43	34.17
Meadow Housing Private Limited	0.75	0.00	-	-	0.75	0.00
Renaissance Hydro Power Private Limited	-	0.00	-	-	-	0.00
Kalpataru House Fin & Trading Private Limited	-	-	0.11	2.00	0.11	2.00
Essel Plywood Private Limited	-	-	-	0.00	-	0.00
Shree Venkateshwara Electrocast Private Limited	43.58	-	-	-	43.58	-
Shyam Energy Limited	0.13	2.63	-	-	0.13	2.63
Kolhan Complex Private Limited	-	0.37	-	-	-	0.37
Meghana Vyapaar Private Limited	-	17.83	-	-	-	17.83
Narantak Dealcomm Limited	-	-	183.78	78.23	183.78	78.23
Nirjhar commodities Private Limited	-	0.00	-	-	-	0.00
S S Natural Resources Private Limited	-	-	-	0.41	-	0.41
Shyam Ferro Alloys Limited	-	-	50.14	21.12	50.14	21.12
Whispering Developers Private Limited	0.50	-	-	0.00	0.50	0.00
Shyam Solar Appliance Private Limited	-	-	-	20.27	-	20.27
Singhbhum Steel & Power Private Limited	-	0.02	-	-	-	0.02
Sindbad Hydro Power Private Limited	-	-	-	0.00	-	0.00
Subham Buildwell Private Limited	-	-	35.83	32.68	35.83	32.68
Subham Capital Private Limited	-	-	52.29	73.89	52.29	73.89
Suhag Overseas Trading Private Limited	-	-	-	1.05	-	1.05
Taurus Estate Private Limited	-	-	-	0.00	-	0.00
Toplight Mercantile Private Limited	-	-	13.84	8.60	13.84	8.60
Elysian Beautification Private Limited	-	-	-	0.03	-	0.03

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

(₹ in Crores)

Type of Transactions	Subsidiary, Associates and Joint Venture		Enterprises over which Key Management Personnel and / or their relatives have significant influence		TOTAL	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>16. Advances Received back/taken</b>						
Shyam Sel and Power Limited	513.56	530.63	-	-	513.56	530.63
Hrashva Storage and Warehousing Private Limited (w.e.f. 11.04.2019)	13.97	136.71	-	-	13.97	136.71
Britasia Hydro Power Private Limited	-	-	-	0.02	-	0.02
Dorite Tracon Private Limited	-	-	26.97	33.97	26.97	33.97
Damodar Aluminum Private Limited	-	0.00	-	-	-	0.00
Platinum Minment Private Limited	1.03	-	-	-	1.03	-
Essel Plywood Private Limited	-	-	-	0.00	-	0.00
Kalinga Infra-Projects Limited	-	13.80	-	-	-	13.80
Shree Venkateshwara Electrocast Private Limited	1.72	-	-	-	1.72	-
Kalpataru HouseFin & Trading Private Limited	-	-	0.11	2.00	0.11	2.00
Kolhan Complex Private Limited	-	-	-	0.37	-	0.37
Singhbhum Steel & Power Private Limited	-	0.02	-	-	-	0.02
Meghana Vyapaar Private Limited	0.00	15.95	-	-	0.00	15.95
Narantak Dealcomm Limited	-	-	203.63	77.44	203.63	77.44
Nirjhar commodities Private Limited	-	0.00	-	-	-	0.00
Shyam Energy Limited	2.61	2.60	-	-	2.61	2.60
Renaissance Hydro Power Private Limited	-	0.00	-	-	-	0.00
S S Natural Resources Private Limited	-	-	-	0.41	-	0.41
Shyam Ores (Jharkhand) Private Limited	-	-	8.94	8.68	8.94	8.68
Shyam Century Multi Projects Private Limited	-	-	-	0.00	-	0.00
Shyam Ferro Alloys Limited	-	-	50.14	35.24	50.14	35.24
Shyam Solar Appliance Private Limited	-	-	-	1.00	-	1.00
Sindbad Hydro Power Private Limited	-	-	-	0.00	-	0.00
Subham Buildwell Private Limited	-	-	38.87	32.65	38.87	32.65
Subham Capital Private Limited	-	-	75.00	73.94	75.00	73.94
Suhag Overseas Trading Private Limited	-	-	-	1.05	-	1.05
Taurus Estate Private Limited	-	0.00	-	-	-	0.00
Toplight Mercantile Private Limited	-	-	11.10	8.53	11.10	8.53
Whispering Developers Private Limited	-	-	-	0.00	-	0.00
Elysian Beautification Private Limited	-	-	-	0.01	-	0.01
<b>17. Loans Received</b>						
Narantak Dealcomm Limited	-	-	20.00	49.11	20.00	49.11
Dorite Tracon Private Limited	-	-	6.25	9.13	6.25	9.13
Meghana Vyaapar Private Limited	-	-	-	6.00	-	6.00
Subham Capital Private Limited	-	-	9.81	11.00	9.81	11.00

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

(₹ in Crores)

Type of Transactions	Subsidiary, Associates and Joint Venture		Enterprises over which Key Management Personnel and / or their relatives have significant influence		TOTAL	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>18. Loans Repaid</b>						
Narantak Dealcomm Limited	-	-	46.59	49.93	46.59	49.93
Meghana Vyaapar Private Limited	-	-	-	6.02	-	6.02
Subham Buildwell Private Limited	-	-	19.50	-	19.50	-
Toplight Merchantiles Private Limited	-	-	3.29	-	3.29	-
Subham Capital Private Limited	-	-	13.13	11.31	13.13	11.31
Dorite Tracon Private Limited	-	-	-	9.40	-	9.40
<b>19. Loans Given</b>						
Shyam Sel and Power Limited	256.00	-	-	-	256.00	-
Narantak Dealcomm Ltd.	-	-	25.52	-	25.52	-
Toplight Merchantiles Private Limited	-	-	3.29	-	3.29	-
Subham Buildwell Private Limited	-	-	16.46	-	16.46	-
Dorite Tracon Private Limited	-	-	11.41	-	11.41	-
Elysian Beautification Private Limited	-	-	-	2.50	-	2.50
<b>20. Loans Received Back</b>						
Shyam Sel and Power Limited	256.00	-	-	-	256.00	-
<b>21. Interest on Loan Given</b>						
Shyam Sel and Power Limited	5.79	-	-	-	5.79	-
<b>22. Interest on Loan Taken</b>						
Narantak Dealcomm Limited	-	-	0.25	1.73	0.25	1.73
Meghana Vyaapar Private Limited	-	-	-	0.27	-	0.27
Subham Capital Private Limited	-	-	-	0.41	-	0.41
Subham Buildwell Private Limited	-	-	-	0.03	-	0.03
Toplight Mercantile Private Limited	-	-	0.04	(0.09)	0.04	(0.09)
Dorite Tracon Private Limited	-	-	-	0.48	-	0.48
<b>23. Balances outstanding on account of Receivables/(Payable)</b>						
Dorite Tracon Private Limited	-	-	(0.67)	-	(0.67)	-
Damodar Aluminium Private Limited	0.01	0.10	-	-	0.01	0.10
Singhbhum Steel & Power Private Limited	-	-	-	0.11	-	0.11
Kalinga Infra-Projects Limited	-	-	-	1.39	-	1.39
Shyam Ores (Jharkhand) Private Limited (Upto 18.06.2020)	-	-	0.01	7.93	0.01	7.93
S S Natural Resources Private Limited	168.44	-	0.01	-	168.45	-
Hrashva Storage and Warehousing Private Limited (w.e.f. 11.04.2019)	-	(0.00)	3.88	-	3.88	(0.00)
Meadow Housing Private Limited	-	0.29	0.75	-	0.75	0.29
Kolhan Complex Private Limited	-	-	1.20	-	1.20	-
Subham Capital Private Limited	-	-	(8.87)	-	(8.87)	-
Toplight Merchantiles Private Limit	-	-	(2.88)	-	(2.88)	-

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

(₹ in Crores)

Type of Transactions	Subsidiary, Associates and Joint Venture		Enterprises over which Key Management Personnel and / or their relatives have significant influence		TOTAL	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Platinum Minment Private Limited	-	-	30.86	-	30.86	-
Shyam Ferro Alloys Limited	-	-	-	2.40	-	2.40
Shree Venkateshwara Electrocast Private Limited	-	-	41.64	-	41.64	-
Shyam Energy Limited	0.12	0.05	-	-	0.12	0.05
Shyam Solar Appliances Private Limited	-	-	-	0.51	-	0.51
Elysian Beautification Private Limited	-	-	-	0.27	-	0.27
Narantak Dealcomm Limited	-	-	(7.91)	(0.01)	(7.91)	(0.01)
Meghana Vyaapar Private Limited	-	-	(3.71)	-	(3.71)	-

\* 0.00 Figure represents value less than ₹ 1 Lakh.

### 48 - Capital Management

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Group. The Group determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term bank borrowings and issue of non-convertible debt securities. The Group monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Borrowings (Note - 19, 24 and 26)	533.67	789.43
Trade payables (Note-25)	1,193.94	367.06
Less: Cash and cash equivalents (Note-11)	91.90	163.84
Less: Current investments (Note - 9)	685.68	215.24
Net debt	<b>950.04</b>	<b>777.41</b>
Equity	255.08	233.61
Other Equity	5,579.59	3,400.41
	<b>5,834.67</b>	<b>3,634.02</b>
Capital and net debt	614.15	467.45
Gearing ratio	14.00%	17.62%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the period ended March 31, 2022 and year ended March 31, 2021.



## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

### 49 - Additional Information

#### i) Expenditure in Foreign Currency (on accrual basis)

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Travelling expenses	0.05	0.00
Demurrage Charges on Import of Raw Materials	0.00	2.98
Raw Materials	1002.65	317.42
Interest on Loan	0.17	2.26

#### ii) Earnings in Foreign Currency (on accrual basis)

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Exports (F.O.B. value)	1,554.22	806.48

**50** - The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 34.94% and the reported tax expense in profit or loss are as follows :-

#### Effective Tax Reconciliation

(₹ in Crores)

	31st March 2022	31st March 2021
<b>Accounting profit before income tax</b>	<b>2,364.33</b>	<b>1,054.94</b>
Enacted tax rate in India	34.94%	34.94%
Computed expected tax expenses	826.19	368.64
Tax holidays	(212.62)	(247.05)
Income exempted from tax	(61.78)	(44.13)
Other Adjustments	88.38	133.94
<b>Income Tax recognised in Profit and Loss account</b>	<b>640.17</b>	<b>211.40</b>

#### 51 - Value of imports calculated on CIF Basis

(₹ in Crores)

Particulars	31st March 2022	31st March 2021
Raw Materials	1,002.65	317.42

#### 52 - Long Term and Derivative Contract

The group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

#### 53 - Disclosure of Transactions with Struck off Companies

The group did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year

**54** - No Transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III :

- a) Crypto Currency or Virtual Currency
- b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- c) Registration of charges or satisfaction with Registrar of Companies
- d) Relating to borrowed funds :
  - i. Wilful defaulter
  - ii. Discrepancy in utilisation of borrowings
  - iii. Current maturity of long term borrowings

## Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

**55** - There are some parties from whom the Group has receivables. There is a mismatch in reconciliation of such receivables and the same is under review.

**56** - Figures of previous years have been regrouped / rearranged / rectified wherever necessary to make them comparable with the current periods figures

**57- List of Subsidiaries, Associates & Joint Ventures included in the Consolidated Financial Statements are as under:**

Name of Companies	Country of Incorporation	31st March 2022	31st March 2021
<b>Subsidiary</b>			
Shyam Sel & Power Limited	India	100.00%	100.00%
Damodar Aluminium Private Limited	India	0.00%	54.15%
Singhbhum Steel & Power Private Limited	India	0.00%	91.45%
Renaissance Hydro Power Private Limited	India	0.00%	100.00%
<b>Step Down Subsidiary</b>			
Shyam Energy Ltd	India	87.12%	87.12%
Platinum Minmet Pvt Ltd	India	99.85%	0.00%
Shree Venkateshwara Electrocast Private Limited	India	90.00%	0.00%
Hrashva Storage and Warehousing Pvt Ltd	India	99.90%	87.11%
Meadow Housing Pvt. Ltd.	India	71.43%	99.05%
Taurus Estates Pvt. Ltd	India	89.29%	89.29%
Whispering Developers Pvt. Ltd.	India	67.57%	67.57%
Nirjhar Commodities Pvt. Ltd	India	58.00%	58.00%
Shree Sikhar Iron & Steel Pvt Ltd	India	99.91%	99.91%
Kalinga Infra Projects Limited	India	0.00%	90.00%
<b>Associate</b>			
Meghana Vyapaar Private Limited	India	33.51%	33.51%
Kolhan Complex Private Limited	India	41.28%	49.88%
Kecons Tradecare Private Limited	India	0.00%	47.32%
<b>Joint Venture</b>			
MJSJ Coal Limited	India	9.00%	9.00%
Kalinga Energy & Power Ltd.	India	50.00%	50.00%
Karo River Pellets Private Limited	India	50.00%	50.00%

**58 - Notes to the consolidated Financial Statements for the year ended 31st March 2022**

(₹ in Crores)

Name of the entity in the group	31st March 2022							
	Net Assets i.e. total assets minus Liabilities		Share in profit and loss		Share in other comprehensive		Share in total comprehensive income	
	As % of Consolidated Net Assets	(Amount in ₹ Crores)	As % of Consolidated Profit & Loss	(Amount in ₹ Crores)	As % of Consolidated Other Comprehensive Income	(Amount in ₹ Crores)	As % of Consolidated Total Comprehensive Income	(Amount in ₹ Crores)
<b>Parent</b>								
Shyam Metals and Energy Limited	38.24%	1,948.71	45.65%	1,112.26	46.36%	851.09	45.96%	1,963.35
<b>Subsidiaries</b>								
Shyam Sel & power Limited	60.95%	3,106.21	54.09%	1,317.86	54%	982.83	53.85%	2,300.68

# Notes to the Consolidated Financial Statements

for the period ended 31st March, 2022

(₹ in Crores)

Name of the entity in the group	31st March 2022							
	Net Assets i.e. total assets minus Liabilities		Share in profit and loss		Share in other comprehensive		Share in total comprehensive income	
	As % of Consolidated Net Assets	(Amount in ₹ Crores)	As % of Consolidated Profit & Loss	(Amount in ₹ Crores)	As % of Consolidated Other Comprehensive Income	(Amount in ₹ Crores)	As % of Consolidated Total Comprehensive Income	(Amount in ₹ Crores)
<b>Step down subsidiaries</b>								
Whispering Developers Private Limited	0.00%	0.05	-0.03%	(0.67)	-0.04%	(0.67)	-0.03%	(1.33)
Platinum Minmet Pvt Ltd	0.02%	0.94	-0.01%	(0.25)	-0.01%	(0.25)	-0.01%	(0.50)
Taurus Estates Private Limited	0.01%	0.26	-0.02%	(0.55)	-0.03%	(0.55)	-0.03%	(1.10)
Shyam Energy Limited	0.37%	19.04	0.00%	(0.05)	0.00%	(0.05)	0.00%	(0.09)
Shree Venkateshwara Electrocast Private Limited	-0.10%	(5.28)	0.14%	3.40	0.19%	3.40	0.16%	6.81
Meadow Housing Private Limited	0.01%	0.46	-0.02%	(0.56)	-0.03%	(0.56)	-0.03%	(1.12)
Hrashtra Storage And Warehousing Private Limited	0.06%	2.91	0.04%	1.06	0.04%	0.73	0.04%	1.79
Shree Sikhar Iron & Steel Private Limited	0.08%	3.93	0.00%	(0.03)	0.00%	(0.03)	0.00%	(0.05)
Nirjhar Commodities Private Limited	0.00%	(0.11)	0.00%	0.07	0.00%	0.05	0.00%	0.12
<b>Non controlling Interest in all Subsidiaries</b>	0.08%	3.99		(3.87)	-0.02%	(0.36)	-0.10%	(4.23)
<b>Associates</b>								
Meghana Vyapar Private Limited	0.31%	15.97	0.32%	7.71	-	-	0.18%	7.71
Kolhan Complex Private Limited	0.00%	-	0.00%	-	-	-	0.00%	-
<b>Joint Venture</b>								
Kalinga Energy & power Limited	-0.02%	(1.04)	0.00%	(0.02)	-	-	0.00%	(0.02)
<b>TOTAL</b>	<b>100%</b>	<b>5,096.06</b>	<b>100%</b>	<b>2,436.37</b>	<b>100%</b>	<b>1,835.64</b>	<b>100%</b>	<b>4,272.01</b>

As per our report of even date attached

**For S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number: 306033E / E300272

**Vivek Agarwal**

Partner

Membership No: 301571

Place: Kolkata

Date : The 18th Day of May, 2022

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

**Brij Bhushan Agarwal**

Vice Chairman and Managing Director

DIN 01125056

**Shree Kumar Dujari**

Chief Financial Officer

**Sanjay Kumar Agarwal**

Joint Managing Director

DIN 00232938

**Birendra Kumar Jain**

Company Secretary

MRN A8305



## Notice

### SHYAM METALICS AND ENERGY LIMITED

CIN: L40101WB2002PLC095491

Regd. Off: Trinity Tower, 7<sup>th</sup> Floor, 83 Topsia Road, Kolkata-700 046,

Phone: 033-4016 4080, Fax: 033-4016 4025

website: [www.shyammetalics.com](http://www.shyammetalics.com) e-mail: [compliance@shyamgroup.com](mailto:compliance@shyamgroup.com)

Notice is hereby given that the 20th (Twentieth) Annual General Meeting (AGM) of the members of Shyam Metals and Energy Limited (Company) will be held on Monday, the 26<sup>th</sup> September, 2022 at 3:00 P.M. through Video Conferencing / Other Audio-Visual Means ("VC/OAVM"), to transact the following businesses:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (both Standalone and Consolidated) of the Company for the financial year ended 31st March, 2022 together with the Board's Report and the Auditor's Report thereon.
2. To confirm Interim dividend @ 22.5% of ₹ 2.25/- per equity share of ₹ 10/- each on 08<sup>th</sup> November, 2021 and 09<sup>th</sup> February, 2022 during F.Y. 2021-22 and declaration of final dividend @ 27% of ₹ 2.70/- per equity share of ₹ 10/- each for the financial year ended 31st March, 2022.
3. To appoint a Director in place of Mr. Deepak Kumar Agarwal (DIN:00560010) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Mahabir Prasad Agarwal (DIN: 00235780) who retires by rotation and being eligible, offers himself for re-appointment.
5. **Appointment of M/s S K Agrawal and Co Chartered Accountants LLP, Chartered Accountants, as Statutory Auditors and fix their remuneration.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee and Board of Directors of the Company, M/s S K Agrawal and Co Chartered Accountants LLP, Chartered Accountants (Registration No. 306033E/300272), be and are hereby re-appointed as Statutory Auditors of the Company for a further period of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 25th Annual General Meeting of the Company to be held in the Year 2027, on such remuneration as decided by the Board of Directors of the Company based on the recommendation of the Audit Committee in consultation with the Auditors plus applicable taxes and reimbursement of out of pocket expenses incurred by them for the purpose of audit;

**RESOLVED FURTHER THAT** any Director or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things and to take all such steps as may be deemed necessary and incidental to give effect to the aforesaid resolution."

#### SPECIAL BUSINESS:

6. **Ratification of remuneration of Cost Auditor of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹ 45,000/- (Forty Five Thousand Only) plus applicable taxes and reimbursement of actual out of pocket expenses to be paid to M/s. Abhimanyu Nayak & Associates, Cost Accountants (FR No. 101052), Cost Auditors of the Company, for the financial year 2022-23, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified;

## Notice

**RESOLVED FURTHER THAT** any Director or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things and to take all such steps as may be deemed necessary and incidental to give effect to the aforesaid resolution."

### 7. Alteration in the Main Object Clause of the Memorandum of Association of the Company

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

**"RESOLVED THAT** pursuant to the provisions of Section 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment or re-enactment thereof for the time being in force and as may be enacted from time to time) and the rules framed there under and subject to the necessary approvals required from the appropriate authorities, the consent of the members of the Company be and is hereby accorded for insertion of the below mentioned object clause in the main object clause of the Memorandum of Association of the company after existing clause III.A.4):

5) To carry on business of logistics provider and delivery solutions to the consumers and a wide range of business, to provide logistics means, options and facilities to all kind of business houses, corporates on contract or otherwise including carry on business of public carriers, transporters and carriers of goods, passengers, merchandise, commodities and luggage of all kinds and descriptions in any part of India and / or abroad, on land, water, rail or road and air or by means of conveyance whatsoever, in its own name or agent.

**RESOLVED FURTHER THAT** any Director or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient, in the best interest of the Company, to accede to such modifications and alterations to the aforesaid resolution as may be suggested by the Registrar of Companies or such other Authority in respect of any matter(s) arising from or incidental to the said amendment."

### 8. To increase Authorised Share Capital of the Company and alteration in the capital clause of the Memorandum of Association of the Company

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

**"RESOLVED THAT** pursuant to the provisions of Section 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") including any amendment thereto or re-enactment thereof and the rules framed there under, the applicable provisions of Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from the existing ₹ 290,00,00,000 (Rupees Two Hundred Ninety Crores only) divided into 29,00,00,000 equity shares of ₹ 10 each to ₹ 400,00,00,000 (Rupees Four Hundred Crores only) divided into 40,00,00,000 equity shares of ₹ 10 each, ranking pari passu in all respect with the existing equity shares of the Company as per the Memorandum and Articles of Association of the Company;

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 13, 61, 64 and other applicable provisions, if any, of the Act, including any amendment thereto or re-enactment thereof and the rules framed there under, the provisions of Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to alter the Memorandum of Association of the Company by deleting the existing Clause V of the Memorandum of Association and substituting the following new clause as Clause V:

- V. The Authorised Share Capital of the Company is ₹ 400,00,00,000/- (Rupees Four Hundred Crores only) divided into 40,00,00,000 equity shares of ₹10 each with rights, privileges and condition attaching thereto as are provided by the regulations of the Company for the time being, with power to increase and decrease the capital of the Company and to divide the shares in capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or condition as may be determined by or in accordance with the Articles of the Company for the time being and to modify or abrogate any such rights, privileges or condition in any such manner as may be permitted by the Act or provided by the Articles of the Company for the time being.

## Notice

**RESOLVED FURTHER THAT** any Director or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things and to take all such steps as may be deemed necessary and incidental to give effect to the aforesaid resolution."

### 9. To consider and approve Raising of Funds

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

**"RESOLVED THAT** pursuant to the provisions of Section 23, Section 42, Section 62, Section 71, Section 179 and other applicable provisions of the Companies Act, 2013, read with the applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules and regulations made there under (including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force)("Act"), the provisions of the Memorandum of Association and the Articles of Association of the Company, all other applicable laws, rules and regulations, including the provisions of the Foreign Exchange Management Act, 1999 as amended and rules and regulations framed there under (including Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended), the current Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce, Government of India, as amended and the applicable rules and regulations made there under including applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"), the Securities and Exchange Board of India (Issue and Listing of Debt Securities), Regulations, 2008 as amended ("**SEBI ILDS Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), Companies (Issue of Global Depository Receipts) Rules, 2014, the Depository Receipts Scheme, 2014, the Framework for issue of Depository Receipts notified by SEBI vide circular dated October 10, 2019, as amended, Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, the Securities and Exchange Board of India's Framework for issue of Depository Receipts, as amended, and such other statutes, clarifications, rules, regulations, circulars, notifications, guidelines, if any, as may be applicable, as amended from time to time issued by the Government of India, the Ministry of Corporate Affairs ("**MCA**"), the Securities and Exchange Board of India ("**SEBI**"), the Reserve Bank of India ("**RBI**"), BSE Limited ("**BSE**"), National Stock Exchange of India Limited ("**NSE**"), NSE together with BSE, the ("Stock Exchanges") where the equity shares of the Company of face value of Rs. 10 (Rupees ten only) each ("**Equity Shares**") are listed, and any other appropriate authority under any other applicable laws and subject to all other approval(s), consent(s), permission(s) and/or sanction(s) as may be required from various regulatory and statutory authorities, including the Government of India, the RBI, SEBI, MCA and the Stock Exchanges (hereinafter singly or collectively referred to as "**Appropriate Authorities**"), and subject to such terms, conditions and modifications as may be prescribed by any of the Appropriate Authorities while granting any such approval, permission and sanction, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include any duly constituted committee thereof for the time being exercising the powers conferred by the Board) to create, issue, offer and allot (including with provisions for reservations on firm and/or competitive basis, or such part of issue and for such categories of persons as may be permitted) such number of Securities (as defined hereinafter), for cash, in one or more tranches, with or without green shoe option, whether Rupee denominated or denominated in Foreign Currency, for an aggregate amount up to Rs. 3000 Crore (Rupees Three Thousand Crores Only), by way of one or more public and/or private offerings and/or on a preferential allotment basis and/or a qualified institutions placement ("**QIP**") to "qualified institutional buyers" as defined in the SEBI ICDR Regulations, and / or any combination thereof, and/or any other permitted modes through issue of prospectus and/or an offer document and/ or a private placement offer letter and/or placement document and/ or such other documents/writings/ circulars/ memorandum in such a manner, in such tranche or tranches, by way of an issue of Equity Shares or by way of an issue of any instrument or security including fully/partially convertible debentures or by way of a composite issue of non-convertible debentures and warrants entitling the warrant holder(s) to apply for Equity Shares, issue of Global Depository Receipts ("**GDR's**"), American Depository Receipts ("**ADR's**"), or any other eligible securities (instruments listed above collectively with the Equity Shares to be hereinafter referred to as the "Securities") or any combination of Securities with or without premium, to be subscribed in Indian and /or any Foreign currencies by all eligible investors, including, residents or non-resident investors/ whether institutions, foreign portfolio investors and/or incorporated bodies and/ or trusts or otherwise/ qualified

## Notice

institutional buyers/ mutual funds/ promoters/pension funds/ venture capital funds/ banks/ alternate investment funds/ Indian and/or multilateral financial institutions, insurance companies/trusts/stabilizing agents and any other category of persons or entities who are authorized to invest in the Securities of the Company as per extant regulations/guidelines or any combination of the above as may be deemed appropriate by the Board in its absolute discretion and, whether or not such investors are members of the Company (collectively called **"Investors"**), to all or any of them, jointly or severally through a prospectus and/or an offer document and/or a private placement offer letter and/or placement document and/or such other documents/writings/ circulars/memorandum in such a manner on such terms and conditions, considering the prevailing market conditions and other relevant factors wherever necessary in one or more tranche or tranches, at such price or prices, (whether at prevailing market price(s) or at permissible discount or premium to market price(s) in terms of applicable laws and regulations), with authority to retain over subscription up to such percentage as may be permitted under applicable regulations, including the discretion to determine the categories of Investors to whom the offer, issue and allotment of Securities shall be made to the exclusion of others, in such manner, including allotment to stabilizing agent in terms of green shoe option, if any, exercised by the Company, and where necessary in consultation with the book running lead manager (s), global coordinator(s) and book running lead manager(s) and/or underwriters and/or stabilizing agent and/or other advisors or otherwise on such terms and conditions, including the security, rate of interest etc., issue of Securities as fully or partly paid, making of calls and manner of appropriation of application money or call money, in respect of different class(es) of investor(s) and/or in respect of different Securities, deciding of other terms and conditions like number of securities to be issued, face value, number of Equity Shares to be allotted on conversion/redemption/ extinguishment of debt(s), rights attached to the warrants, terms of issue, period of conversion, fixing of record date or book closure terms, if any, as the Board may in its absolute discretion decide, in each case subject to applicable laws and on such terms and conditions as may be determined and deemed appropriate by the Board in its absolute discretion and without requiring any further approval or consent from the members at the time of such issue and allotment considering the prevailing market conditions and other relevant factors in consultation with the merchant banker(s) to be appointed by the Company' so as to enable the Company to list on any stock exchange in India or overseas jurisdictions;

**RESOLVED FURTHER THAT** in case of issue and allotment of Securities by way of QIP in terms of Chapter VI of the SEBI ICDR Regulations (hereinafter referred to as **"Eligible Securities"** within the meaning rendered to such term under Regulation 171(a) of the SEBI ICDR Regulations):

- (i) The allotment of Securities shall only be made to qualified institutional buyers as defined in the SEBI ICDR Regulations("QIBs");
- (ii) The Eligible Securities to be so created, offered, issued, and allotted, shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company;
- (iii) The allotment of the Eligible Securities, or any combination of the Eligible Securities as may be decided by the Board and subject to applicable laws, shall be completed within 365 days from the date of passing of the special resolution of the shareholders of the Company or such other time as may be allowed under the SEBI ICDR Regulations;
- (iv) The Equity Shares issued and allotted under the Issue or allotted upon conversion of the equity linked instruments issued in QIP shall rank pari-passu inter-se in all respects including with respect to entitlement to dividend, voting rights or otherwise with the existing Equity Shares of the Company in all respects;
- (v) The number and/or price of the Eligible Securities or the underlying Equity Shares issued on conversion of Eligible Securities convertible into Equity Shares shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division, reclassification of equity shares into other securities, issue of shares issue of equity shares by way of capitalization of profit or reserves, or any such capital or corporate restructuring;
- (vi) The Eligible Securities (excluding warrants) under the QIP shall be issued and allotted as fully paid up securities;
- (vii) In the event Equity Shares are issued, the **"relevant date"** for the purpose of pricing of the Equity Shares to be issued, shall be the date of the meeting in which the Board or the committee of directors authorized by the Board



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decides to open the proposed issue of such Equity Shares, subsequent to the receipt of members' approval in terms of provisions of Companies Act, 2013 and other applicable laws, rules, regulations and guidelines in relation to the proposed issue of the Equity Shares;

- (viii) In the event that Eligible Securities issued are eligible convertible securities, the relevant date for the purpose of pricing of the convertible securities to be issued, shall be, either the date of the meeting which the Board or a committee of directors authorized by the Board decides to open the proposed issue or the date on which the holders of such eligible convertible securities become entitled to apply for Equity Shares, as decided by the Board;
- (ix) The tenure of the convertible or exchangeable Eligible Securities issued through the QIP shall not exceed sixty months from the date of allotment;
- (x) Issue of Eligible Securities made by way of a QIP shall be at such price which is not less than the price determined in accordance with Regulation 176(1) under Chapter VI of the SEBI ICDR Regulations ("QIP Floor Price") and applicable law. The Board may, however, at its absolute discretion in consultation with the book running lead managers, issue Eligible Securities at a discount of not more than five percent or such other discount as may be permitted under applicable regulations to the QIP Floor Price;
- (xi) No single allottee shall be allotted more than fifty per cent of the issue size and the minimum number of allottees shall be as per the SEBI ICDR Regulations;
- (xii) No allotment shall be made, either directly or indirectly, to any QIB who is a promoter, or any person related to the promoters of the Company;
- (xiii) The Eligible Securities allotted in the QIP shall not be eligible for sale by the respective allottees, for a period of one year from the date of allotment, except on a recognized stock exchange or except as may be permitted from time to time by the SEBI ICDR Regulations; and
- (xiv) Any subsequent QIP shall not be undertaken until the expiry of two weeks from the date of the prior QIP made pursuant to this special resolution.

**RESOLVED FURTHER THAT** the Securities issued in foreign markets shall be deemed to have been made abroad and/or in the market and/or at the place of issue of the Securities in the international market and may be governed by the applicable laws;

**RESOLVED FURTHER THAT** in the event of issue of GDRs/ADRs, the pricing shall be determined in compliance with principles and provisions set out in Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through the Depository Receipt Mechanism) Scheme 1993, Companies (Issue of Global Depository Receipts) Rules, 2014, the Depository Receipts Scheme, 2014, the Framework for issue of Depository Receipts notified by SEBI vide circular dated October 10, 2019, as amended, and other applicable pricing provisions issued by the Ministry of Finance and other applicable laws, the Relevant Date for the purpose of pricing the Securities to be issued pursuant to such issue shall be the date of the meeting at which the Board decides to open such issue after passing of this Special Resolution. Preferential issuance and allotment of Securities (other than as issued and allotted to QIBs by way of QIP) shall be subject to the requirements prescribed under the Act and Chapter V of the SEBI ICDR Regulations and other applicable laws;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to enter into any arrangement with any agencies or bodies for the issue of GDRs and/or ADRs represented by underlying equity shares in the share capital of the Company with such features and attributes as are prevalent in international/domestic capital markets for instruments of this nature and to provide for the tradability and free transferability thereof in accordance with market practices as per the domestic and/or international practice and regulations and under the norms and practices prevalent in the domestic/international capital markets and subject to applicable laws and regulations and the Articles of Association of the Company;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions, the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including but not limited to finalization and approval of the offer document(s), private placement offer

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letter, determining the form and manner of the issue, including the class of investors to whom the Securities are to be issued and allotted, number of Securities to be allotted, issue price, face value, fixing the record date, execution of various transaction documents, and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the proceeds as it may in its absolute discretion deem fit;

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of dividend, issue of additional Equity Shares, variation of the conversion price of the Securities or period of conversion of Securities into Equity Shares during the duration of the Securities and the Board be and is hereby authorized, in its absolute discretion, in such manner as it may deem fit, to dispose-off such of the Securities that are not subscribed;

**RESOLVED FURTHER THAT** the Securities to be created, issued allotted and offered in terms of this resolution shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company and the fully paid-up Equity Shares that may be issued by the Company (including issuance of Equity Shares pursuant to conversion of any Securities as the case may be in accordance with the terms of the offering) shall rank *pari-passu* with the existing Equity Shares of the Company in all respects;

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue, or allotment of Securities or instruments representing the same, as described above, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the nature of the issuance, terms and conditions for the issuance of Securities including the number of Securities that may be offered in domestic and/or international markets and proportion thereof, issue price and discounts permitted under applicable law, premium amount on issue/conversion of the Securities, if any, rate of interest, timing for issuance of such Securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, opening and maintaining bank accounts, entering into and executing arrangements for managing, underwriting, marketing, listing, trading and entering into and executing arrangements with merchant bankers, lead managers, legal advisors, depository, custodian, registrar, stabilizing agent, paying and conversion agent, trustee, escrow agent and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalize, approve and issue any document(s) or agreements including but not limited to the placement document and filing such documents (in draft or final form) with any Indian or foreign regulatory authority or stock exchanges and sign all deeds, documents and writing and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and take all steps which are incidental and ancillary in this connection, including in relation to utilization of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution and all actions taken by the Board, to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed, in all respects;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate (to the extent permitted by law) all or any of the powers conferred by this resolution herein, to any committee of directors formed, Directors or one or more executives/officers of the Company to give effect to the above resolutions, in accordance with applicable law."

Place: Kolkata  
Date: 02<sup>nd</sup> August, 2022

By order of the Board  
For Shyam Metalics and Energy Limited  
Sd/-  
Birendra Kumar Jain  
Company Secretary & Compliance Officer  
ICSI MEMBERSHIP NO. ACS 8305

# Notice

## NOTES:

1. Pursuant to the General Circulars no. 2/2022 dated May 5, 2022 and 19/2021 dated December 8, 2021, other circulars issued by the Ministry of Corporate Affairs (MCA) and Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM.

Accordingly, in compliance with the applicable provisions of the Companies Act, 2013 (“Act”) read with the said Circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), the Company has decided to convene its 20th AGM through VC/OAVM and the Shareholders can attend and participate in the ensuing AGM through VC/OAVM. The Company will conduct the AGM through VC/OAVM from its Registered Office, i.e., “Trinity Tower” 83, Topsia Road, 7<sup>th</sup> Floor, Kolkata -700046 which shall be deemed to be venue of the meeting.

2. As per the Provisions of Clause 3.A.II of the General Circular No. 20/2020 dated May 05, 2020 issued by MCA (Ministry of Corporate Affairs), the matters of Special Business as appearing in the Item no. 6 to 9 of the accompanying notice are considered to be unavoidable by the Board and hence, forms part of this notice.
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts in respect of the business under Item no. 5 to 9 set out in this Notice and the details specified under Regulation 36 of the SEBI (LODR) Regulations, 2015 and clause 1.2.5 of the Secretarial Standards on General Meeting (SS-2) issued by the Company Secretaries of India, is annexed hereto.
4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, since this AGM is being held through VC/OAVM, whereby physical attendance of Shareholders has been dispensed with and in line with the said circulars read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 (“said SEBI Circular”) & Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 issued by the Securities and Exchange Board of India (“SEBI”), **THE FACILITY TO APPOINT A PROXY TO ATTEND AND CAST VOTE FOR THE SHAREHOLDER IS NOT MADE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.**
5. In terms of the provisions of Section 113 of the Act read with the said Circulars, Corporate/Institutional Members (i.e. other than individuals, HUF, NRI etc.) are entitled to appoint their authorized representatives to attend the AGM through VC/OAVM on their behalf and participate thereat, including cast votes by electronic means are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. whereby their authorized representative has been appointed to attend the AGM on their behalf, to the Company, together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [raj@manojbanthia.com](mailto:raj@manojbanthia.com) with a copy marked to [compliance@shyamgroup.com](mailto:compliance@shyamgroup.com).
6. In view of the outbreak of the COVID-19 pandemic, resultant difficulties involved in dispatching of physical copies of the Annual Report and in line with the said Circulars issued by the MCA and said SEBI Circular, the Annual Report including Notice of the 20th AGM of the Company inter alia indicating the process and manner of e-voting is being sent only by Email, to all the Shareholders whose email IDs are registered with the Company/Depository Participant(s). The Company shall send the Physical Copy of the Annual Report for the F.Y 2021-22 only to those members who specifically request for the same by e-mail at [compliance@shyamgroup.com](mailto:compliance@shyamgroup.com).

Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the said Circulars issued by MCA and said SEBI Circular, the Annual Report including Notice of the 20th AGM of the Company will also be available on the website of the Company and the same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and on the website of NSDL i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

## Notice

7. For receiving all communication (including Annual Report) from the Company electronically:
  - a. Members holding shares in physical mode and who have not registered/updated their email address with the Company are requested to register/update the same by providing the details of folio number and attaching a self-attested copy of PAN card to KFin Technologies Ltd at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
  - b. Members holding shares in dematerialized mode are requested to register/update their email addresses with the relevant Depository Participant.
8. The Shareholders can join the AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned herein below in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 Shareholders on **'first come first serve'** basis. This will not include large Shareholders (i.e. Shareholders holding 2% or more), 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 serve'** basis.
9. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.
10. The attendance of the Shareholders attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
11. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote electronically at the AGM.
12. The Shareholders, seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before **Monday, 19<sup>th</sup> September, 2022**, through email at [compliance@shyamgroup.com](mailto:compliance@shyamgroup.com) so as to enable the management to keep the information ready on the date of AGM and reply suitably.
13. The Notice is being sent to all the members of the Company, whose name appear in the Register of Members as on **Friday, 26<sup>th</sup> August, 2022**
14. Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company on or after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. To enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid Permanent Account Number (PAN)	10%* or as notified by the Government of India
Members not having PAN / valid PAN	20% or as notified by the Government of India

\* As per the Finance Act, 2021, Section 206AB has been inserted effective July 1, 2021, wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid Section.

However, no tax shall be deducted on the dividend payable to resident individual shareholders if the total dividend to be received by them during financial year 2022-23 does not exceed ₹ 5,000, and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to resident individual shareholders aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding of tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20%\*\* (plus applicable

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surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA), read with Multilateral Instrument (MLI) between India and the country of tax residence of the shareholders, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the shareholders or details as prescribed under rule 37BC of the Income-tax Rules, 1962;
- Copy of the Tax Residency Certificate for financial year 2022-23 obtained from the revenue or tax authorities of the country of tax residence, duly attested by shareholders;
- Self-declaration in Form 10F;
- Self-declaration by the shareholders of having no permanent establishment in India in accordance with the applicable tax treaty;
- Self-declaration of beneficial ownership by the non-resident shareholder;
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the shareholders;

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act at the rate of 20%\*\* (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents, if applicable.

However, in case a non-resident shareholder or a non-resident Foreign Portfolio Investor (FPI) / Foreign Institutional Investor (FII), higher rate of tax as mentioned in Section 206AB shall not apply if such non-resident does not have a permanent establishment in India.

The aforementioned documents are required to be send at company email-id i.e. [compliance@shyamgroup.com](mailto:compliance@shyamgroup.com). No communication would be accepted from members after **Monday, 19<sup>th</sup> September, 2022** regarding tax-withholding matters. Shareholders may write to [compliance@shyamgroup.com](mailto:compliance@shyamgroup.com) for any clarifications on this subject.

TDS certificates in respect of tax deducted, if any, can be subsequently downloaded from the shareholder's portal. Shareholders can also check their tax credit in Form 26AS from the e-filing account at <https://www.incometax.gov.in/iec/foportal> or "View Your Tax Credit" on <https://www.tdscpc.gov.in>.

15. The Register of Members and the Share Transfer books of the Company will remain closed from **Tuesday, 20<sup>th</sup> September, 2022 to Monday, 26<sup>th</sup> September, 2022 (both days inclusive)** for the purpose of 20<sup>th</sup> AGM and Payment of Final Dividend for the F.Y 2021-22.
16. The Final Dividend of ₹ 2.70/- per share on fully paid-up Equity Shares of ₹ 10/- each as recommended by the Board of Directors, if approved at the AGM will be paid subject to TDS (Deduction of Income Tax at Source) to all the Members whose names are on the Company's Register of Members as on the closure of business hours of **Monday, 19<sup>th</sup> September, 2022 (Record Date)**.
17. In compliance with the provisions of Sections 108, 110 and other applicable provisions, if any, of the Act, read with the relevant rules made thereunder and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the Company is pleased to extend e-voting facility to its members to enable them to cast their votes electronically. The Company has engaged the services of National Securities and Depositories Limited (NSDL) as the Agency to provide remote e-voting facility and e-voting facility at the AGM.
18. Further, in accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed **Monday, 19<sup>th</sup> September, 2022** as the "**cut-off date**" to determine the eligibility to vote by remote e-voting or e-voting at the AGM. Only those people whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. **Monday, 19<sup>th</sup>**

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**September, 2022**, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. A person who is not a member as on cut-off date should treat this Notice for information purpose only. **The remote e-voting period begins on Friday, 23<sup>rd</sup> September, 2022 at 9:00 A.M. and ends on Sunday, 25<sup>th</sup> September, 2022 at 5.00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter.

19. Only those Shareholders, who will be present at the AGM through VC/OAVM facility and who have not cast their vote by remote e-voting prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the AGM.
20. The Board of Directors of the Company at their meeting held on **Tuesday, 02<sup>nd</sup> August, 2022** has appointed Mr. Raj Kumar Bantia, (ACS 17190), partner of M/s MKB & Associates, Practicing Company Secretaries, as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner. The Scrutinizer shall, after conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting and shall make consolidated Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman or person authorized by him in writing, who shall countersign the same and declare the result of the voting therewith. The Results shall be declared within two working days from the conclusion of the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).
21. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.shyammetalics.com](http://www.shyammetalics.com) and on the website of the service provider NSDL after the declaration of result by the Chairman or a person authorized by him in writing and also the same will be communicated to the National Stock Exchange of India Ltd. and BSE Limited.
22. Members holding shares in electronic form are hereby informed that bank particulars registered with their respective depository accounts will be used by the Company for payment of dividend. For the safety and interest of the shareholders, it is important that bank account details are correctly provided to the depository participants. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company/Registrars and Share Transfer Agents viz. M/s KFin Technologies Ltd.
23. Pursuant to section 72 of the Companies Act, 2013 members holding shares in physical form are advised to file nomination in prescribed Form SH-13 with the Company's Registrar M/s KFin Technologies Ltd and in respect of shares held in Electronic/Demat form, members may please contact their respective Depository Participants.
24. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. M/s. Kfin Technologies Ltd are the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA.
25. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company.
26. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in name, address, email id, mobile no., PAN, Bank Mandates, demise of any member as soon as possible, etc. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
27. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 and other documents referred to in the accompanying Notice and the Explanatory Statement shall

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be available for inspection by the members during the AGM. Members seeking to inspect the same can make a request to the Company through e-mail at [compliance@shyamgroup.com](mailto:compliance@shyamgroup.com).

28. 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 details to the Company/RTA for registration of transmission/transposition, deletion of name, etc.
29. The Securities and Exchange Board of India (SEBI) vide circular dated 20 April, 2018 has also mandated to obtain account details along with cancelled cheque to update the securities holder's data. The original cancelled cheque shall bear the name of the securities holder failing which securities holder shall submit copy of bank passbook/statement attested by the bank. The respective DP's (Demat Holding) or the RTA (in case of Physical Holding) shall then update the bank details in its records after due verification. The unpaid dividend shall be paid via electronic bank transfer. In cases where either the bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code), etc. that are required for making electronic payment, are not available or the electronic payment instructions have failed or have been rejected by the bank, the issuer companies or their RTA may ask the banker to make payment through physical instrument such as banker's cheque or demand draft to such securities holder incorporating his bank account details. The Company before processing the request for payment of Unclaimed / Unpaid Dividend, has been in practice of obtaining necessary particulars of Bank Account of the Payee.
30. Since the AGM will be held through Video Conferencing or Other Audio-Visual Means, route map of venue of the AGM is not attached to this Notice.



## Notice

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

#### Item No. 5

The Shareholders of the company at its meeting held on 25th September, 2017 has approved the appointment of M/s S K Agrawal and Co Chartered Accountants LLP, Chartered Accountants, as the Statutory Auditors of the Company for a period of 5 (five) years from the conclusion of 15th Annual General Meeting (AGM) till the conclusion of 20<sup>th</sup> AGM.

M/s S K Agrawal and Co Chartered Accountants LLP are eligible to be re-appointed as the Statutory Auditors of the Company for a further period of 5 (five) Years and have given their consent to act as the Auditors of the Company and have confirmed that the said re-appointment, if made, will be in accordance with the conditions prescribed under Sections 139 of the Act and are not disqualified for appointment under Section 141 and other relevant provisions of the Act and the rules or regulations made thereunder. As confirmed to the Audit Committee, the Auditors have reported their independence from the Company according to the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") and the ethical requirement relevant to the audit.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), at its meeting held on 02<sup>nd</sup> August, 2022 approved the appointment of M/s S K Agrawal and Co Chartered Accountants LLP, Chartered Accountants as the Statutory Auditors for a further period of 5 (five) years from the conclusion of this AGM till the conclusion of the 25th AGM at a remuneration as decided by the Board of Directors of the Company based on the recommendation of the Audit Committee in consultation with the Auditors plus applicable taxes and reimbursement of actual out-of-pocket expenses incurred, if any, and recommended the same for the approval of the Members. The Remuneration proposed to be paid to the Statutory Auditors during their second and final term shall be commensurate with the services to be rendered by them during their said tenure. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, technical knowledge etc., and found to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends this Resolution for your approval.

#### Item No.6

The Board on the recommendation of the Audit Committee has approved the appointment of M/s. Abhimanyu Nayak & Associates, Cost Accountants (FR No. 101052), as the Cost Auditor in the Board Meeting held on 18<sup>th</sup> May, 2022 to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2023 at a remuneration of ₹ 45,000 (Rupees Forty-Five Thousand Only) and applicable taxes and reimbursement of out-of-pocket expenses incurred, if any.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

M/s. Abhimanyu Nayak & Associates, Cost Accountants (FR No. 101052) have the necessary experience in the field of cost audit and have submitted a certificate regarding their eligibility for appointment as Cost Auditors of the Company.

The Resolution as at Item no. 6 of the Notice is therefore set out as an Ordinary Resolution for approval and ratification by the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends this Resolution for your approval.

## Notice

### Item No. 7

The Company is in the process to explore to diversify into new line of business activity i.e. Logistic Industry and in order to carry on the said business, the main object of the Company is required to be altered to permit the Company to enter into the said new line of Business. Accordingly, Pursuant to the provisions of the Companies Act, 2013, the consent of the Shareholders of the Company is required for the proposed alteration in the object clause of the Memorandum of Association of the Company.

The Board at its meeting held on 2nd August, 2022 has approved the addition in the main object clause in the Memorandum of Association of the Company, subject to the approval of the shareholders of the Company in forthcoming Annual General meeting. Accordingly, the Board of Directors of the Company recommends adoption of the resolution set out in Resolution No. 7 of the accompanying Notice as a special resolution.

A draft copy of the altered Memorandum of Association shall be open for inspection by the members in electronic mode. Members can inspect the same by sending an email to [compliance@shyamgroup.com](mailto:compliance@shyamgroup.com). The same shall also be available electronically for inspection by the members during the Annual General Meeting.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

### Item No. 8

With a view to facilitate the Company's proposal to raise funds, and in order to create adequate headroom for subsequent issuance of equity shares, if any, it is proposed to increase the existing Authorized Capital of the Company from the existing ₹ 290,00,00,000 (Rupees Two Hundred and Ninety Crores only) divided into 29,00,00,000 equity shares of ₹ 10 each to ₹ 400,00,00,000 (Rupees Four Hundred Crores only) divided into 40,00,00,000 equity shares of ₹ 10 each. Consequently, Clause V of the Memorandum of Association of the Company would also require alteration so as to reflect the increased Authorised Share Capital.

Pursuant to the provisions of the Companies Act, 2013, the consent of the Shareholders of the Company is required for the proposed increase in the Authorized Share Capital and alteration of the Memorandum of Association of the Company. Accordingly, the Board of Directors of the Company seeks the approval of Shareholders of the Company for the same.

A draft copy of the altered Memorandum of Association shall be open for inspection by the members in electronic mode. Members can inspect the same by sending an email to [compliance@shyamgroup.com](mailto:compliance@shyamgroup.com). The same shall also be available electronically for inspection by the members during the Annual General Meeting.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board recommends this Resolution for your approval.

### Item no. 9

The Company proposes to raise the capital for the purpose of capital expenditure for ongoing and future expansion projects, working capital, repayment of loans and for general corporate purposes in addition to pursuing organic growth, the Company continues to evaluate and pursue various Merger & Acquisition opportunities and to achieve its long-term vision.

Considering the growth plans for the Company and the opportunities for inorganic growth, notwithstanding the substantial cash generation from operations currently, the Company should be in readiness to raise resources if required. An equity fund raise will strengthen the Balance Sheet and also provide cushion against volatility / cyclicity in the steel sector, while keeping the leverage levels and financial covenants under targeted thresholds.

Raising fund by way of equity, convertible debentures or such other instruments would bolster the capital base of the Company and strengthen its financial structure for taking up the next phase of growth. Therefore, it is in the interest of the Company to raise long term resources with equity or convertible instruments so as to optimize capital structure for future growth. The proceeds of the issue may be used for long-term funding to meet the planned capital expenditure (including by way of investment in subsidiaries). Hence this resolution is an enabling resolution to raise long term resources at an opportune time.

For this purpose, the Company has been exploring various avenues for raising funds by way of issue of Equity Shares or by way of issue of any instrument or security including fully/partly convertible debentures, GDRs, ADRs or by way of a composite issue of non-convertible debentures and warrants entitling the warrant holder(s) to apply for Equity Shares or any other eligible

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securities and/or any combination thereof, for an aggregate amount of up to ₹ 3000 crore (Rupees Three thousand Crore only) through Qualified Institutions Placement to QIBs as defined in SEBI ICDR Regulations or Private Placement or Preferential Issue or Public Issue or through any other permissible mode and/or combination thereof as may be considered appropriate under applicable law. The issue of Securities may be consummated in one or more tranches at such time or times at such price, at a discount or premium to market price or prices in such manner and on such terms and conditions as the Board may in its absolute discretion decide, taking into consideration prevailing market conditions and other relevant factors and wherever necessary in consultation with advisors, lead managers, underwriters and such other authority or authorities as may be necessary and subject, as applicable, to the SEBI ICDR Regulations, the Depository Receipts Scheme, 2014 and other applicable guidelines, notifications, rules and regulations, each as amended.

The proposed Special Resolution is an enabling resolution to raise long term resources at an opportune time and therefore, the proposal seeks to confer upon the Board (including a Committee thereof), the absolute discretion to determine the terms of the aforementioned issuance of Securities, including the exact price, proportion and timing of such issuance, based on an analysis of the specific requirements and market conditions. The detailed terms and conditions of such issuance will be determined by the Board or a Committee thereof, considering prevailing market conditions, practices and in accordance with the applicable provisions of law and other relevant factors. Accordingly, the Board (including a Committee thereof) may, in its discretion, adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the Members of the Company.

In the event of issuance of Securities by way of a QIP, as per the provisions of the SEBI (ICDR) Regulations, an issue of Securities shall be made at a price not less than the floor price calculated in accordance with Chapter VI of the ICDR Regulations and applicable law. The Board or Committee of Directors duly authorized by the Board are hereby being authorized to offer a discount of not more than five percent on such price determined in accordance with the pricing formula provided under Regulation 176 of the SEBI ICDR Regulations or such other discount as may be permitted in accordance with applicable law.

Further, in the event that such issuance of Securities is undertaken by way of a QIP, the allotment of Securities shall be completed within a period of 365 days from passing the Special Resolution by the Members or such other time as may be permitted under the SEBI ICDR Regulations from time to time. The aforesaid issue of Securities will be subject to receipt of requisite approvals from appropriate authorities, as may be applicable. Further, no allotment shall be made, either directly or indirectly to any QIB who is a promoter, or any person related to promoters in terms of the SEBI ICDR Regulations.

Pursuant to Section 62 of the Companies Act, 2013 and the SEBI Listing Regulations, whenever it is proposed to increase the Subscribed Capital of a Company by a further issue and allotment of shares, such shares need to be offered to the existing Members in the manner laid down in the said section unless the Members decide otherwise in a General Meeting.

The Board of Directors, at its meeting held on 18<sup>th</sup> May, 2022, has accorded its approval for raising of funds by the Company for an amount not exceeding ₹ 3000 Crores (Rupees Three Thousand Crores only) through issue of one or more type of Securities, subject to Members' approval and such other approvals as may be required under the applicable laws.

The Securities allotted as above would be listed on BSE Limited and National Stock Exchange of India Limited. The offer/issue/allotment would be subject to the regulatory approvals, if any. The conversion of Securities, if any, held by foreign investors into Equity Shares would be subject to the applicable foreign investment cap, if any, and the applicable foreign exchange regulations. As and when the Board or a Committee thereof takes a decision on matters pertaining to the proposed fund raise, on which it has the discretion, necessary disclosures will be made to the Stock Exchanges as may be required under the provisions of the SEBI Listing Regulations.

This Special Resolution, if passed, will have the effect of allowing the Board to offer, issue and allot the Securities to the investors, who may or may not be the existing members of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board recommends this Resolution for your approval.

**Place: Kolkata**  
**Date: 02<sup>nd</sup> August, 2022**

**By order of the Board**  
**For Shyam Metals and Energy Limited**  
**Sd/-**  
**Birendra Kumar Jain**  
**Company Secretary & Compliance Officer**  
**ICSI MEMBERSHIP NO. ACS8305**

## Notice

### Details of Directors seeking appointment

Pursuant to the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India:

Name	Mr. Mahabir Prasad Agarwal	Mr. Deepak Kumar Agarwal
Present Appointment in the capacity of	Non-Executive - Non-Independent Director	Whole-Time Director
Director Identification Number	00235780	00560010
Date of Birth	05.04.1946	06.01.1974
Nationality	Indian	Indian
Experience in specific functional area/Brief Resume	Mr. Mahabir Prasad Agarwal is an accomplished business leader and a first-generation entrepreneur. He has more than 50 Years of experience in steel & ferro alloys industries. He has the foresights to lead the steel industry and SMEL in particular on a transformational journey contributing significantly in growth path of the Company.	Mr. Deepak Kumar Agarwal has more than 20 years of experience of steel and ferro alloys industries. His array of exposure percolates to areas like finance, accounting, taxation, project planning and execution, legal, secretarial, costing, risk management, SAP, supply chain management, cost control, marketing, import export, etc.
Qualification	Commerce Graduate.	Mr. Agarwal is a fellow member of ICSI and he also holds a bachelor's degree in Commerce from Calcutta University.
Date of first Appointment on the Board	06.04.2018	14.07.2014
Terms and Conditions of Appointment / Re-appointment	His tenure as a director is subject to retirement of Directors in terms of Section 152 of the Companies Act, 2013. He is liable to retire by rotation.	He is appointed as a Whole-time Director of the Company for a period of 5 (five Years) w.e.f. 14.07.2019. He is liable to retire by rotation.
Details of remuneration sought to be paid	NIL	40.25 Lacs
Last drawn remuneration (F.Y. 2021- 2022)	NIL	40.25 Lacs
Directorship in Companies as on 31st March, 2022 (including this company)	<ul style="list-style-type: none"> <li>• Shyam Metalics and Energy Limited;</li> <li>• Kalinga Energy &amp; Power Limited;</li> <li>• Shyam Century Multi Projects Pvt. Ltd;</li> <li>• Whispering Developers Private Limited;</li> <li>• Suhag Overseas Trading Private Limited;</li> <li>• Narantak Dealcomm Ltd;</li> <li>• Britasia Hydro Power Private Limited.</li> </ul>	<ul style="list-style-type: none"> <li>• Shyam Metalics and Energy Limited;</li> <li>• Shyam Energy Limited;</li> <li>• Improved Realtors Private Limited.</li> </ul>
Relationship with other Directors and Key Managerial Personnel	Mr. Agarwal is father of Mr. Brij Bhushan Agarwal, Vice Chairman & Managing Director and Uncle of Mr. Sanjay Kumar Agarwal, Joint Managing Director.	Not related with anyone

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Chairman/Member in the Committees of the Boards of companies as on 31st March, 2022	Shyam Metalics and Energy Limited 1. Nomination and Remuneration Committee (Member). 2. Corporate and Social Responsibility (Chairman).	NIL
Listed entities from which the Director has resigned in the past three years	NIL	NIL
Number of shares held in the Company as on 31st March, 2022	2525	1710
Number of meetings of the Board attended during the year (F.Y. 2021- 2022)	9/9	9/9

## Notice

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

The remote e-voting period begins on Friday, 23<sup>rd</sup> September, 2022 at 9:00 A.M. and ends on Sunday, 25<sup>th</sup> September, 2022 at 5.00 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. **Monday, 19<sup>th</sup> September, 2022** 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 **Monday, 19<sup>th</sup> September, 2022**.

#### 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.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.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>" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number 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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App "<b>NSDL Speede</b>" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; align-items: center;">   </div> <div style="display: flex; justify-content: center; align-items: center; margin-top: 10px;">   </div>

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Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	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.

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

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

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

**B) Login Method for 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.nsdl.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.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*



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4. Your User ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

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2. Select "EVEN" of Shyam Metalics and Energy Limited to cast your vote. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [raj@manojbanthia.com](mailto:raj@manojbanthia.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. **Monday, 19<sup>th</sup> September, 2022** may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. **1800 1020 990 and 1800 22 44 30**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the **cut-off date** i.e. **Monday, 19<sup>th</sup> September, 2022** may follow steps mentioned in the Notice of the AGM under Step1: "Access to NSDL e-Voting system" (Above).
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Senior Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
5. The Voting Rights of Members shall be in proportion to the number of Shares held in the Company as on the Cut-off date.
6. The Chairman shall at the AGM, at the end of the discussion on the resolution on which voting is to be held, allow voting by the use of remote e-voting system for all those members present at the AGM but have not cast their vote by remote e-voting facility before meeting. The remote e-voting shall be disabled by NSDL for e-voting 15 minutes after the conclusion of the meeting.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [compliance@shyamgroup.com](mailto:compliance@shyamgroup.com).

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2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [compliance@shyamgroup.com](mailto:compliance@shyamgroup.com). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 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:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. 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.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

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

1. 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 General 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.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at [compliance@shyamgroup.com](mailto:compliance@shyamgroup.com) between **Monday, 19<sup>th</sup> September, 2022 to Friday, 23<sup>rd</sup> September, 2022**.
6. 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 [compliance@shyamgroup.com](mailto:compliance@shyamgroup.com), **latest by 5:00 p.m. (IST) on Monday, 19<sup>th</sup> September, 2022**. The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

## Notice

8. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/camera along with good internet speed.
9. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
10. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Senior Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call 1800 1020 990 / 1800 22 44 30.







TOLL FREE NO.  
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