

Welcast Steels Limited

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Phones : (91-80) 2839 4058, 2839 4059, 6450 2100, 6450 3269.
E-mail: info@welcaststeels.com Website - www.welcaststeels.com
CIN : L27104GJ1972PLC085827



23rd May, 2022

To,
The Manager (Listing),
The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Dear Sir / Madam,

Sub: Outcome of Board Meeting and submission of Audited Financial Results for the Quarter / Year Ended March 31, 2022 as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: Script Code: 504988

The Board of Directors at their Meeting held today, approved the Audited Financial Results for the Quarter/Year ended on March 31, 2022, which was commenced at 04.15 P.M. and concluded at 05.30 P.M.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the followings:

- (i) Statement showing Audited Financial Results for the quarter/year ended March 31, 2022.
- (ii) Auditors' Report on the Audited Financial Results.

Pursuant to second proviso of Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that Auditors' Report issued by Ganapath Raj & Co., Chartered Accountants, Statutory Auditor of the Company in respect of the Audited Financial Results of the Company for the year ended 31st March, 2022 is unmodified.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would also like to intimate that the following business items/matters have been transacted /approved today in the Board Meeting:

- (i) The Board of Directors has appointed Mr. D. P. Dhanuka, Non-Executive Independent Director as the Chairman of the Board of Directors of the Company with immediate effect.
- (ii) The Board has not recommended any Dividend for the Financial Year 2021-22.
- (iii) Audit Committee and Board of Directors at their respective meetings held today, has recommended the appointment of Dagliya & Co., Chartered Accountants (FRN: 006715) as the Statutory Auditors of the Company for a period of five years

from the conclusion of the upcoming Annual General Meeting to be held in 2022, in place of Ganapath Raj & Co, Chartered Accountants as per the provisions of the Companies Act, 2013.

The information required pursuant to Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

Name of Statutory Auditor	Dagaliya & Co., Chartered Accountants
Reason for change	Ganpath Raj & Co., Chartered Accountants, is Statutory Auditors of the Company, appointed by the members of the Company at their Annual General Meeting (AGM) held on 14 th August, 2017 for the term of five years starting from 45th AGM till the conclusion of 50th AGM to be held in the year 2022. Since, term of existing Statutory Auditors will expire at the ensuing 50th AGM, on the recommendation of Audit Committee, Board of Directors of the Company have recommended the appointment of Dagaliya & Co, Chartered Accountants (FRN:00671S) as Statutory Auditors subject to approval of the shareholders at the ensuing 50th AGM of the Company.
Date of Appointment & Term of Appointment	Appointment for a term of 5 (five) consecutive years commencing from the conclusion of the ensuing 50th AGM till the conclusion of 55th AGM of the Company subject to approval of the shareholders at the ensuing 50th AGM.
Brief Profile (in case of Appointment)	DAGLIYA & Co., Chartered Accountants is registered with Institute of Chartered Accounts of India with Registration No. FRN: 00671S. It has professional standing of more than 50 years in the areas of Corporate audits, assurance and tax to Corporate bodies. The firm has vast exposure of audit of large and medium sized manufacturing, engineering, pharmaceutical, infrastructure, mining, Aviation, Information Technology, Companies apart from audit of Banks. The firm also conducts due diligence studies, renders services in mergers and acquisitions, business structuring and advisory services.



	The firm has its main office at Bangalore and Branch offices at Secunderabad and Chennai. The firm has 7 partners having specialised qualification/ exposure in the areas of information technology, forensic audit, IND AS certification and have more than 75 personnel. The firm was subjected to peer review under ICAI guidelines for four terms and presently holds valid peer review certificate.
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- (iv) Audit Committee/ Board of Directors in their respective meetings held on 23rd May, 2022 has appointed Mr. Viren Thakkar as Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company w.e.f. 23rd May, 2022.

Name of Chief Financial Officer	Mr. Viren K. Thakkar
Reason for change	Mr. Yash Raj, earlier Chief Financial Officer of the Company has retired from the services with effect from 10 th April, 2022. Hence, Mr. Viren K. Thakkar has been appointed as a CFO in his place.
Date of Appointment & Terms of Appointment	23 rd May, 2022
Brief Profile (in case of Appointment)	<p>Mr. Viren Thakkar is a Chartered Accountant and a Cost Accountant having more than 30 years of experience in corporate finance, cost control, budgeting, internal control & audit and corporate planning.</p> <p>He is also Chief Financial Officer of Holding Company i.e. AIA Engineering Limited. Prior to joining AIA Engineering Limited, Mr. Viren Thakkar has worked with some renowned Companies like GTPL Hathway Limited and Roquette Riddhi Siddhi Private Limited as the Chief Financial Officer.</p> <p>Prior to that between 2007 and 2012, Mr. Viren Thakkar was General Manager – Finance at Torrent Power Limited, a Company of Ahmedabad based Torrent Group. At Torrent, Mr. Viren Thakkar managed finance,</p>



accounts, treasury operations, costing and taxation (Direct and Indirect) at corporate level for Torrent Power and Group Companies. He was also involved in business development activities and handled insurance portfolio at the group level.

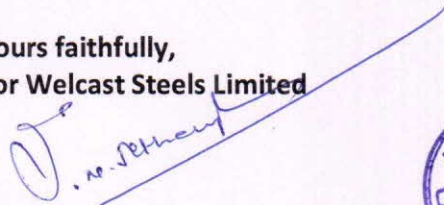
Mr. Viren Thakkar started his career in 1991, with Anil Starch Products Limited, Ahmedabad based Lalbhai Group Company. He was also associated with Doshion Limited (Ahmedabad), Southern Range Nyanza Limited (Uganda), Gujarat Telephone Cables Limited (Ahmedabad).

Further, the date of the Annual General Meeting for the F. Y. 2021-22 will be informed in due course.

Please take that same on record and acknowledge the receipt of the same.

Thanking you,

**Yours faithfully,
For Welcast Steels Limited**



**S. N. Jetheliya
Company Secretary**



Encl: As above



WELCAST STEELS LIMITED

Registered. Office: 115-116, G.V.M.M. Estate, Odhav Road, Odhav, Ahmedabad – 382410, Gujarat, India

Telephone No: 079-22901078 Fax: 079-22901077 CIN: L27104GJ1972PLC085827

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022

₹ in lakhs

Sr. No.	Particulars	Quarter ended			Year ended	
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		Audited	Un-audited	Audited	Audited	Audited
1	Income					
	Revenue from operations	2250.21	3941.21	2455.40	8244.23	9755.22
	Other Operating Income	30.73	311.83	14.12	352.79	40.19
	a) Total Revenue from operations	2280.94	4253.04	2469.52	8597.02	9795.41
	b) Other Income	45.11	13.13	19.42	72.19	45.90
	Total Income (a+b)	2326.05	4266.17	2488.94	8669.21	9841.31
2	Expenses					
	a) Cost of material consumed	1697.83	2674.03	1235.20	5946.92	5231.05
	b) Changes in Inventories of finished goods, work-in-progress	(273.38)	476.05	465.92	(210.59)	533.85
	c) Employee benefits expense	183.59	180.91	190.63	694.75	876.40
	d) Finance costs	1.92	12.66	6.16	17.58	28.32
	e) Depreciation & amortisation expenses	28.54	33.52	29.46	108.26	142.98
	f) Other expenses	684.08	824.10	682.47	2166.06	3168.91
	Total Expenses (a+b+c+d+e+f)	2322.58	4201.27	2609.84	8722.98	9981.51
3	Profit / (Loss) before tax (1-2)	3.47	64.90	(120.90)	(53.77)	(140.20)
4	Less: Extra ordinary items	-	-	-	-	-
5	Profit / (Loss) before tax	3.47	64.90	(120.90)	(53.77)	(140.20)
6	Tax Expenses					
	(i) Current tax	-	-	-	-	-
	(ii) Deferred tax	(6.69)	(1.79)	3.32	(4.63)	41.83
	Total Tax expenses (i+ii)	(6.69)	(1.79)	3.32	(4.63)	41.83
7	Profit / (Loss) for the period (5-6)	10.16	66.69	(124.22)	(49.14)	(182.03)
8	Other Comprehensive Income / (Loss)					
	i) Item that will not be reclassified to profit or loss	22.88	0.82	23.15	25.34	21.54
	ii) Income tax relating to items that will not be reclassified to profit or loss	0.62	(0.21)	(5.84)	-	(5.42)
	iii) Item that will be reclassified to profit or loss	-	-	-	-	-
	iv) Income tax relating to items that will be reclassified to profit or	-	-	-	-	-
	Total Other Comprehensive Income / (Loss) (net of tax)	23.50	0.61	17.31	25.34	16.12
9	Total Comprehensive Income / (Loss) for the period (7+8)	33.66	67.30	(106.91)	(23.80)	(165.91)
10	Paid-up Equity Share Capital – Face Value of ₹ 10 each.	63.82	63.82	63.82	63.82	63.82
11	Other equity				3188.39	3212.19
12	Earning Per Share (EPS) (In ₹) (Not annualised)					
	Basic	1.59	10.45	(19.46)	(7.70)	(28.52)
	Diluted	1.59	10.45	(19.46)	(7.70)	(28.52)



Notes :

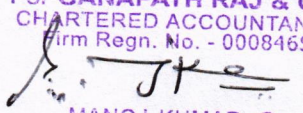
(i)	The above annual financial results for the quarter and year ended 31 March 2022 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors in their respective meetings held on 23 May 2022. The statutory auditors have expressed an unqualified opinion.
(ii)	The audited financial results are prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
(iii)	The company manufactures and deals with a single product, Alloy steel Cast Grinding Media. Also Company's operations are solely situated in India. Hence there are no reportable segments as required by Ind AS - 108 "Operating Segments" under the Companies (Indian Accounting Standards) Rules, 2015. Company's revenue from sale of grinding media exceeding 10% is from two of its customers and its aggregating value is Rs.4075.52 Lakhs (previous year Rs 3,307.91 Lakhs).
(iv)	AIA Engineering Limited, holding company is holding 4,77,661 equity shares aggregating to 74.85% of the share capital.
(v)	The board has recommended a dividend of Rs NIL/- Per equity share of Rs.10/- each, subject to approval of the members of the company at the forthcoming annual general meeting.
(vi)	The company's Unit, which had to suspend operations temporarily, due to the Government's directives relating to COVID-19, have since resumed partial operations, as per the guidelines and norms prescribed by the Government authorities. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non- financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information and expects that the carrying amount of these assets will be recovered. Having reviewed the underlying information, management believes the impact of the pandemic may not be significant. The actual outcome of these assumptions and estimates may vary in future due to the impact of the pandemic.
(vii)	The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
(viii)	Figures of the quarter ended March 31, 2022 and March 31, 2022 are the balancing figures between audited figures in respect of the full financial year and year to date figures up to the third quarter of the relevant financial year.
(ix)	Figures for the previous period have been regrouped, reclassified and restated wherever necessary to make them comparable with the current period's figures.
(x)	Refer Annexure - I for statement of assets and liabilities as at 31 March 2022.
(xi)	Refer Annexure - II for statement of cash flows for the year ended 31 March 2022.

for WELCAST STEELS LIMITED

Place: Bengaluru
Date: 23.05.2022


D. R. HANUKA
Chairman
DIN: 00168198

As per our Report of even date attached
AS PER OUR REPORT ATTACHED OF EVEN DATE
For **GANAPATH RAJ & Co.,**
CHARTERED ACCOUNTANTS
Firm Regn. No. - 000846S



MANOJ KUMAR. G.
PARTNER
Membership No. 217827

VDIN: 22217827AJLLPP3663

ANNEXURE I

Welcast Steels Limited

Audited statement of assets and liabilities as at 31 March 2022

Particulars	₹ in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
ASSETS		
Non-current assets		
(a) Property, plant and equipment	733.10	652.58
(b) Capital work-in-progress	-	-
(c) Intangible assets	1.23	1.72
(d) Financial assets		
Loans	0.64	0.30
(e) Other Financial assets	213.97	447.44
(f) Deferred tax assets (net)	25.99	21.36
(g) Other tax assets (net)	40.21	69.09
(h) Other non-current assets	28.68	188.40
Total non-current assets	1,043.82	1,380.89
Current assets		
(a) Inventories	1,677.89	1,005.45
(b) Financial assets		
(i) Trade receivables	1,099.05	1,398.53
(ii) Cash and cash equivalents	289.60	222.94
(iii) Bank balances other than (iii) above	13.48	11.75
(iv) Loans	5.41	5.21
(v) Other financial assets	66.97	31.51
(c) Other current assets	94.52	94.47
Total current assets	3,246.92	2,769.86
Total assets	4,290.74	4,150.75
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	63.84	63.84
(b) Other equity	3,188.39	3,212.19
Total equity	3,252.23	3,276.03
LIABILITIES		
Non-current liabilities		
(a) Financial liabilities		
Borrowing	127.00	-
Provisions	46.17	51.43
Total non-current liabilities	173.17	51.43
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	157.00	347.30
(ii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	7.93	0.79
Total outstanding dues of creditors other than micro enterprises and small enterprises	526.56	203.76
(iii) Other financial liabilities	82.00	84.80
(b) Other current liabilities	69.44	166.75
(c) Provisions	22.41	19.89
Total current liabilities	865.34	823.29
Total liabilities	1,038.51	874.71
Total equity and liabilities	4,290.74	4,150.75



for WELCAST STEELS LIMITED

D P DHANUKA

ANNEXURE II

Welcast Steels Limited**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022**

Particulars	₹ in Lakhs)	
	Year ended 31st March 2022	Year ended 31st March 2021
A. Cash flows from operating activities		
Profit / (Loss) before tax	(53.77)	(140.20)
Add / (Less) : adjustments		
Interest Income	(61.05)	(42.19)
Loss / (Profit) on disposal of property, plant and equipment	0.05	-
Bad debts	1.80	-
Depreciation and amortization	108.26	142.98
Finance cost	17.58	28.32
Cash generated from operations before working capital changes:	12.87	(11.09)
Changes in working capital		
(Increase) / Decrease in trade receivable	297.68	(461.95)
(Increase) / Decrease in loans	(0.20)	5.84
(Increase) / Decrease in inventories	(672.44)	1,035.44
(Increase) / Decrease in other financial assets	(0.34)	0.39
(Increase) / Decrease in other current assets	(34.95)	280.14
(Increase) / Decrease in other non-current assets	393.19	5.56
Increase / (Decrease) in provisions	22.60	(151.96)
Increase / (Decrease) in trade payables	329.94	(414.35)
Increase / (Decrease) in other current liabilities	(98.91)	(79.65)
Cash generated from operations	249.44	208.37
(Income taxes paid) / Income tax refund received	28.88	11.62
Net cash generated by operating activities (A)	278.32	219.99
B. Cash flows from investing activities		
Acquisition of property, plant and equipment, CWIP & other intangibles	(188.34)	(6.98)
Proceeds from sale of property, plant & equipment	-	-
(Investment in) / redemption of fixed deposits with Bank (net)	(2.93)	(4.31)
Interest income	60.49	40.36
Net cash (used in) from investing activities (B)	(130.78)	29.07
C. Cash flows from financing activities		
Proceeds from / (Repayment) of current borrowings (net)	(347.30)	(52.70)
Proceeds from / (Repayment) of current borrowings (net)	157.00	-
Increase / (Decrease) in non-current borrowings	127.00	-
Finance cost	(17.58)	(28.32)
Dividend paid, including dividend distribution tax	-	-
Net cash (used in)/generated from financing activities (C)	(80.88)	(81.02)
Net increase / (Decrease) in cash and cash equivalents (A+B+C)	66.66	168.04
Add: Cash and cash equivalents at the beginning of the year	222.94	54.90
Cash and cash equivalents at the end of the year	289.60	222.94
Reconciliation of Cash and Cash Equivalents with the Balance Sheet:		
Cash and Cash Equivalents at the End of the Year (Note 13)		
(a) Cash on Hand	0.56	0.86
(b) Balance with bank - In Current Accounts	15.97	31.24
(c) Balances with bank in fixed deposit accounts -maturity less than 3 months from the date of reporting	273.07	190.84
Total	289.60	222.94



for WELCAST STEELS LIMITED

D P DHANUKA



GANAPATH RAJ & CO

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Email: mk@cagraj.com / gr@cagraj.com

No.387 (71), 42nd Cross, Between 1st& 2nd Main,
Jayanagar 8th Block, Bangalore- 560 070. INDIA

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors,
Welcast Steels Limited.

Opinion

We have audited the accompanying financial results of Welcast Steels Limited., for the quarter and year ended 31 March 2022, attached herewith, pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations")

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial results

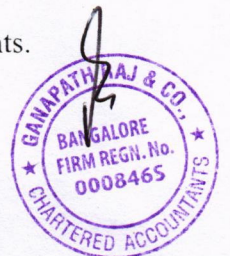
- are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard and
- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standard's, and other accounting principles generally accepted in India, of the net profit and other comprehensive income for the quarter ended 31 March 2022 and net loss and other comprehensive income and other financial information of the company for the year ended 31 March 2022.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial results.

Management's and Board of Directors' Responsibilities for the Financial Results

These financial results have been prepared on the basis of the annual financial statements.



The Company's Management and the Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the company's net profit/loss and other comprehensive income and other financial information of the company in accordance with the recognition and measurement principles laid down in Indian Accounting Standard's prescribed under section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The Management and Board of Directors of the company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities selection and application of appropriate accounting policies making judgments and estimates that are reasonable and prudent: and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the financial results by the Management and the Board of Directors.

In preparing the financial results the Management and the Board of Directors of the companies are responsible for assessing and ability of company to continue as a going concern, disclosing as applicable matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance the financial results 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 than an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

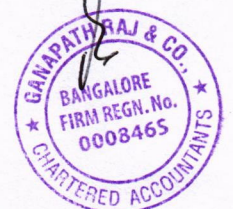
As part of an audit in accordance with SAs we exercise professional judgments and maintain professional skepticism throughout the audit. We also



- Identify and assess the risks of material misstatement of the financial results, 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 omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedure that are appropriate in the circumstances. Under section 143(3)(i) of the act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements 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 in the financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial results including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance of the company 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.



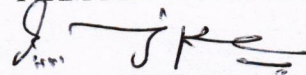
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters:

The financial results includes the results for the quarter ended 31 March 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For GANAPATH RAJ & CO.
CHARTERED ACCOUNTANTS

FIRM REG NO:-000846S



MANOJ KUMAR.G
PARTNER

MEMBERSHIP NO.217827



UDIN:-22217827A **JLLPP3663**
PLACE:-BANGALORE
DATE: - 23.05.2022