



**STEELCAST LIMITED**  
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BHAVNAGAR, GUJARAT  
INDIA 364 005  
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WEBSITE www.steelcast.net  
CIN L27310GJ1972PLC002033

AC/2079

17.07.2023

|  |  |
|--|--|
| The Secretary,<br>BSE Limited,<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street,<br>MUMBAI - 400 001<br><br><b>Scrip Code: 513517</b> | National Stock Exchange of India Limited,<br>Exchange Plaza, 5th Floor,<br>Plot No.C/1, G Block,<br>Bandra-Kurla Complex,<br>Bandra (E), Mumbai - 400 051<br><br><b>Scrip Symbol: STEELCAS</b> |
|--|--|

Dear Sir/Madam,

**Subject: Submission of revised pdf version of Annual Report 2022-23**

This is in continuation of our letter dated 11.07.2023 to National Stock Exchange of India Limited and dated 12.07.2023 to BSE Limited towards submission of pdf version of Notice of the 52nd Annual General Meeting (AGM) and Annual Report 2022-23. The web link of the said notice and annual report was sent to the members of the Company on 12.07.2023 through their registered emails.

In the above regard, we would like to notify that on a further scrutiny while printing of the above referred document, it was found that the detailed schedule of Accounts Receivables was omitted inadvertently in the file which is a mandatory disclosure under the Accounting Standards in the Financial Statements forming part of the Annual Report 2022-23. However, there is no financial impact arising out of this change.

In view of the above, we are submitting herewith the revised Annual Report 2022-23 after inserting the schedule of Accounts Receivables as explained above. It is further notified that the revised Annual Report 2022-23 as above is being placed on the website of the Company accessible to the Members of the Company and public at large at the following link:

**[https://steelcast.net/pdf/quarterly\\_result/Steelcast\\_C2C\\_11\\_7\\_23.pdf](https://steelcast.net/pdf/quarterly_result/Steelcast_C2C_11_7_23.pdf)**

We request you to take above information on your record.

Thanking you,

For STEELCAST LIMITED,

(Umesh V Bhatt)  
COMPANY SECRETARY

Steelcast Limited  
52<sup>nd</sup> Annual Report 2022-23



# STRUCTURAL SHIFT



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### Disclaimer

This document contains statements about expected future events and financials of Steelcast Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis of this Annual Report.

## INVESTOR INFORMATION

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### Corporate Id No.

L27310GJ1972PLC002033

### ISIN

INE124E01020

### Scrip Code at BSE

513517

### Scrip Symbol at NSE

STEELCAS

### Bloomberg Code

STLCS:IN

### AGM Date

3<sup>rd</sup> August, 2023

### AGM Venue

Efcee Sarovar Portico –  
Sarovar Hotels,  
Iscon Mega City,  
Opp. Victoria Park,  
Bhavnagar, Gujarat 364002



Please find our  
online version at

[http://www.steelcast.net/  
quarterly-results.html](http://www.steelcast.net/quarterly-results.html)

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# CORPORATE INFORMATION

## Board of Directors & Invitee

**Mr. Chetan M Tamboli**  
Chairman & Managing Director

**Mr. Rajendra V Gandhi**  
Independent Director  
(Term completed on 30.09.2022)

**Mr. Apurva R Shah**  
Independent Director

**Mr. Kumar Tipirneni**  
Permanent Invitee to the Board

**Mr. Hemant D Dholakia**  
Independent Director

**Mr. Rushil C Tamboli**  
Executive Director  
(Appointed with effect from 23.05.2023)

**Mrs. Vidhi S Merchant**  
Non-Executive Non-Independent Director

**Mrs. Aarushi M Ganatra**  
Independent Director  
(Appointed with effect from 18.05.2022)

**Mr. Harsh R Gandhi**  
Independent Director  
(Appointed with effect from 23.01.2023)

**Mr. Rajiv D Gandhi**  
Independent Director  
(Appointed with effect from 23.01.2023)

**Mr. Ashutosh H Shukla**  
Executive Director  
(Appointed with effect from 23.01.2023)

**Mr. Subhash R Sharma**  
Executive Director  
(Appointed with effect from 23.01.2023)

## Chief Financial Officer

Mr. Subhash R Sharma

## Company Secretary

Mr. Umesh V Bhatt

## Bankers

Standard Chartered Bank  
HDFC Bank Limited  
RBL Bank Limited  
ICICI Bank Limited

## Auditors

SSM & Co., Chartered Accountants

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## Registered Office & Works

Ruvapari Road, Bhavnagar.  
Gujarat: 364005  
Phone : (91) (278) 251 9062  
Fax : (91) (278) 251 9831

# SIGNIFICANT FINANCIAL INDICATORS ACROSS THE LAST 10 YEARS

(INR in Lakhs except as specified)

| Parameters   | Financial Year ending on 31 <sup>st</sup> March |            |           |           |           |           |           |           |           |           |
|--|---|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|  | 2014  | 2015       | 2016      | 2017      | 2018      | 2019      | 2020      | 2021      | 2022      | 2023      |
| Total Income   | 14,448.80                                       | 7,914.31   | 13,704.24 | 14,182.41 | 23,512.07 | 31,934.03 | 20,106.64 | 15,922.00 | 30,235.57 | 47,793.74 |
| EBIDTA   | 2,618.22  | (4.57)     | 2,627.40  | 2,614.98  | 4,476.74  | 6,015.54  | 3,780.97  | 3,305.26  | 6,400.57  | 11,507.87 |
| Profit After Tax   | 42.57   | (1,850.04) | 13.29     | 298.09    | 2,075.18  | 2,492.30  | 781.37    | 1,209.49  | 3,324.53  | 7,049.18  |
| Net Worth  | 7,907.10  | 5,990.84   | 7,186.46  | 7,404.04  | 9,333.06  | 11,495.95 | 11,789.31 | 12,877.37 | 15,655.4  | 21,520.56 |
| Total Borrowed Funds   | 13,721.91                                       | 14,361.95  | 12,800.66 | 8,959.59  | 9,255.51  | 6,443.26  | 4,453.62  | 2,311.02  | 6,279.86  | 2,364.86  |
| Fixed Assets (Net)   | 14,913.57                                       | 13,976.83  | 13,409.44 | 12,392.36 | 12,361.46 | 11,723.36 | 10,680.09 | 9,906.03  | 11,434.51 | 14,201.13 |
| Net Current Assets   | 5,650.32  | 4,787.08   | 4,619.99  | 7,792.19  | 11,572.12 | 9,726.17  | 7,677.75  | 8,266.15  | 15,057.88 | 14,773.47 |
| Book Value Per Share (Adjusted to Sub Division & Bonus Issue and PI) (₹) | 43.00   | 32.89      | 35.51     | 36.58     | 46.11     | 9.00      | 58.25     | 63.85     | 77.35     | 106.33    |
| Earning Per Share (Basic) (Adjusted to Sub Division & Bonus Issue) (₹)   | 0.23  | (10.16)    | 0.07      | 1.47      | 10.31     | 12.34     | 3.94      | 5.94      | 16.44     | 34.84     |
| Dividend (%)   | 0.00  | 0.00       | 0.00      | 12.00     | 27.00     | 40.00     | 12.00     | 27.00     | 63.00     | 198.00    |
| Debt Equity Ratio (Total Borrowed Funds/Net Worth)                       | 1.74  | 2.40       | 1.78      | 1.21      | 0.99      | 0.56      | 0.38      | 0.18      | 0.40      | 0.10      |
| Operating Profit (EBIDTA) to Sale (%)                                    | 18.12   | (0.06)     | 19.17     | 18.44     | 19.04     | 18.95     | 18.85     | 20.96     | 21.19     | 24.08     |



# STRUCTURAL SHIFT

Major global economies are increasing their infrastructure spending to catalyse economic activity.

India's capital expenditure dedicated to infrastructure is proposed to grow from ₹5.54 Lakhs Cr for FY 2021-22 to ₹10 Lakhs Cr for FY 2023-24.

Besides, a global manufacturing shift has begun away from China.

A convergence of these structural shifts is opening a world of opportunities for Steelcast and India.

Steelcast is expected to capitalise through proactive capacity creation, experience, product customisation, global certifications and enduring customer relationships.



# STEELCAST IS A RENOWNED PRODUCER OF SPECIALISED STEEL AND ALLOY STEEL CASTING PRODUCTS AND SOLUTIONS.

**These** products are utilised in crucial downstream heavy engineering industries that play a pivotal role in the progress of society.

**Steelcast** products are well-known for their superior quality, efficacy, customisation and service, making the company an integral part of the development of diverse downstream sectors.

**Steelcast** holds various certifications and customer approvals; it maintains long-term relationships with clients and possesses sufficient capacity to support its growth.





### Vision

- To be a reputed global provider of reliable and ready-to-use high quality castings
- To offer customer delight and employee growth with equal fairness towards all stakeholders
- To focus on innovation and creativity for promoting organisational participation and continuous learning
- To diversify into different products and businesses by providing state-of-the-art material

### Mission

- To continuously interact with customers to understand their needs
- To offer best-in-class customer service and provide them value for money to earn complete customer loyalty and facilitate access to larger markets
- To continuously develop processes for delivering high quality, reliable and consistent products
- To create a transparent, principled and system-based organisation that empowers employees at all levels to take initiatives, innovate, learn and grow while working with enthusiasm and commitment
- To be a debt-free company offering excellent shareholder returns, employee-friendly environment and pay all fair dues to the Government and society



### Background and promoters

The Company has been in the steel casting industry since 1960, starting as a partnership, later becoming a private limited company in 1972 and then a public limited company in 1994. The company was co-founded by Mr. Manmohan Fulchand Tamboli and is currently led by Mr. Chetan Manmohan Tamboli, supported by other family members.



### Presence

The company's headquarters as well as manufacturing facility are in Bhavnagar (Gujarat) with Alang, Asia's biggest ship recycling yard, and a major source of raw material for scrap, being just 50 km away. Gujarat is a power surplus state with the Company's own 66KV power transmission station with 10MW power readily available.



### Rich experience

Steelcast specialises in manufacturing steel and alloy steel castings, catering to the needs of Original Equipment Manufacturers (OEM) in industries such as mining and mineral processing, earthmoving, cement, steel plants, electrolocomotive, construction equipment, ground engaging tools (GET), railways, transportation and defence, etc.



### Financial performance

The company reported revenues of ₹477.93 Cr during FY 2022-23, a 58.07% growth over the previous financial year. The company's PAT of ₹70.52 Cr was a 111.96% growth over the previous year.



### Exports

The company derives a prominent proportion of its revenues from exports. In FY 2022-23, the company generated 60.13% revenues from exports to nine countries.



### Employees

Due to its location, the company has access to skilled manpower at a minimal cost. The company's total talent count comprised 905 employees on the company's payroll as on 31<sup>st</sup> March, 2023. The average age of 84.53% of employees was between 18-45 years as on 31<sup>st</sup> March, 2023. The company has professionals comprising the following competencies: metallurgy, finance, sales, operations, research, quality assurance, procurement and others.



### Logistical advantage

The company's fuel needs are met through the use of piped natural gas and LPG. The Pipavav port is located 130 km away. A waterways network connecting Hazira and Surat reduces the distance from 370 kms to 60 kms through ro-pax ferry services from Ghogha, Bhavnagar to Hazira, Surat. Additionally, the company has good road and rail connections with major cities in Gujarat.



### Awards

- Best Foundry Award from the Institute of Indian Foundrymen for the best import substitution record among all foundries in India
- Recipient of Shri Laxmanrao Kirloskar Best Foundry Award from the Institute of Indian Foundrymen.
- Best Vendor (Category-Castings) Award from Bharat Earth Movers Ltd., Bangalore, for outstanding performance in materials supply
- Highest rating among India's Top 500 manufacturing Small & Mid-Sized Companies



### Credit rating

Steelcast's credit ratings was revised from CARE BBB+ Positive/CARE A2 to CARE A-Stable/ CARE A2+.



### Approvals and certifications

#### Customer and nodal agency approvals

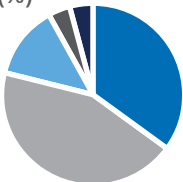
- Approved as a Class 'A' foundry by RDSO, India
- Approved by Association of American Rail Roads (under renewal)
- Approved as a recognised R&D Laboratory by the Department of Science & Technology, Government of India
- Classified as a A-approved foundry by Ministry of Railways, India
- Accredited as an NABL (National Accreditation Board for Testing and Calibration Laboratories)-approved Laboratory
- R&D Laboratory approved by The Department of Science & Technology, Government of India
- Accredited as Authorised Economic Operator (AEO) T1 by Government of India

- Accorded Two Star Export House status by Directorate General of Foreign Trade

#### Certifications

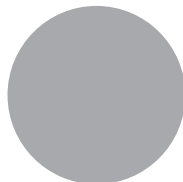
- An ISO:9001-2015 Company certified by TUV NORD, Germany (for Quality)
- An ISO:14001-2015 Company certified by TUV NORD, Germany (for Environment)
- An ISO 45001:2018 Company certified by TUV NORD, Germany (for Occupational Health & Safety)
- An EN 9100:2018 certified by TUV NORD, Germany (for Aerospace)
- TPG Certificate for casting, heat treatment and NDT, AAR Certification (under renewal)

Industry-wise revenue contribution (%)



- Mining 35.07
- Earth moving 43.82
- Construction 13.13
- Locomotive 4.02
- Others 3.96

Segment-wise contribution (%)



- Replacement market 0
- OEMs 100

Geography-wise revenue contribution (%)



- Domestic 40
- Exports 60

# STEELCAST. A GLOBAL PROVIDER OF QUALITY PRODUCTS FOR MARQUEE CUSTOMERS

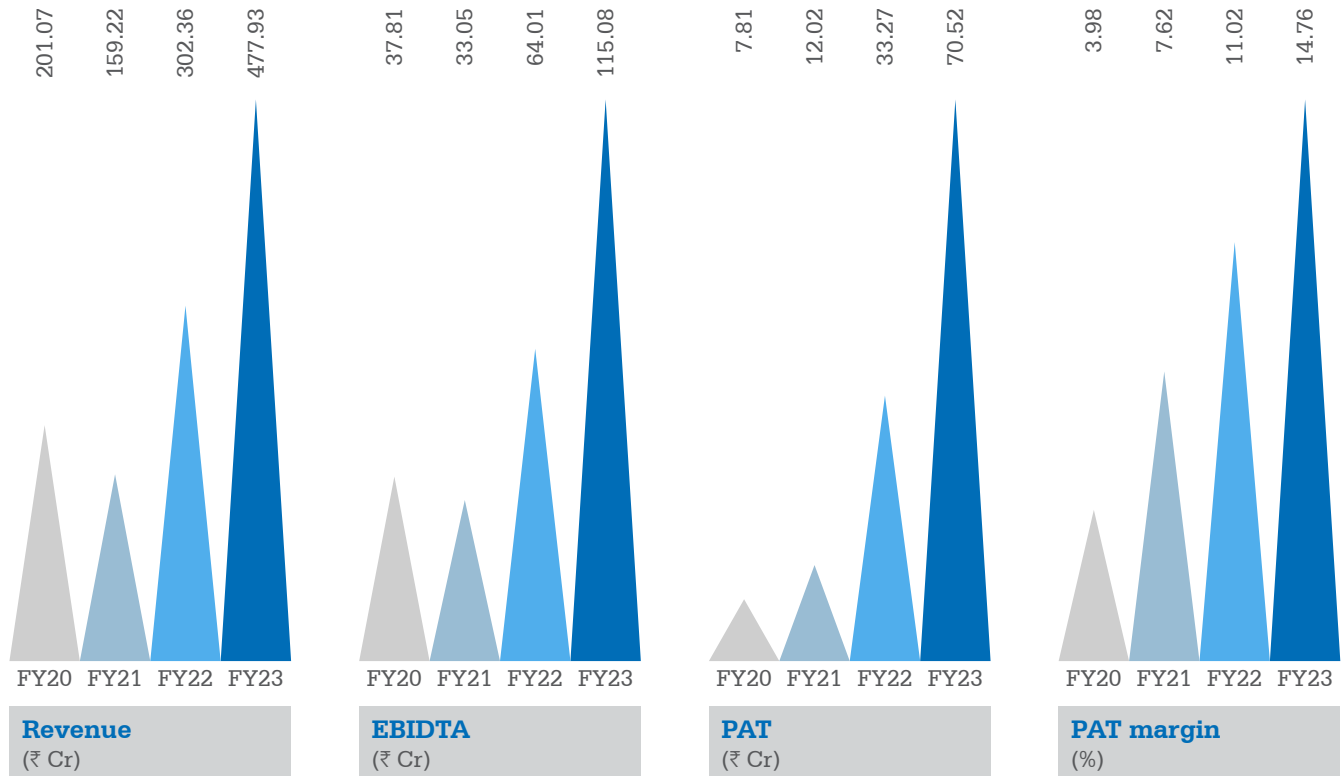


The Company exports to nine countries

1. Germany
2. USA
3. Thailand
4. Singapore
5. Mexico
6. Brazil
7. Denmark
8. Slovakia and
9. Poland



# HOW WE HAVE GROWN OVER THE YEARS



**Revenue**  
(₹ Cr)

**Definition**  
Growth in sales, net of taxes.

**Why this is measured**  
It is an index that showcases the Company's ability to maximise revenues, which provides a basis against which the company's performance can be compared with sectoral peers.

**What this means**  
The volume offtake remained creditable in an otherwise challenging year for the economy, protecting the Company's industry visibility.

**Value impact**  
The Company reported revenues of 477.93 Cr during FY 2022-23, growing by 58.13% over the previous financial year.

**EBIDTA**  
(₹ Cr)

**Definition**  
Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax).

**Why this is measured**  
It is an index that showcases the Company's ability to generate a surplus after operating costs, creating a base for comparison with sectoral peers.

**What this means**  
Helps create a robust surplus-generating engine that facilitates reinvestment.

**Value impact**  
The Company reported a 79.79% growth in EBIDTA in FY 2022-23 due to better sales realisations.

**PAT**  
(₹ Cr)

**Definition**  
Profit earned during the year after deducting all expenses and provisions.

**Why is this measured?**  
This measure highlights the strength of the business model in enhancing shareholder value.

**What does it mean?**  
It ensures that adequate surplus is available for reinvestment in the company's operations.

**Value impact**  
The Company's PAT of ₹70.52 Cr was a 111.96% growth over the previous year.

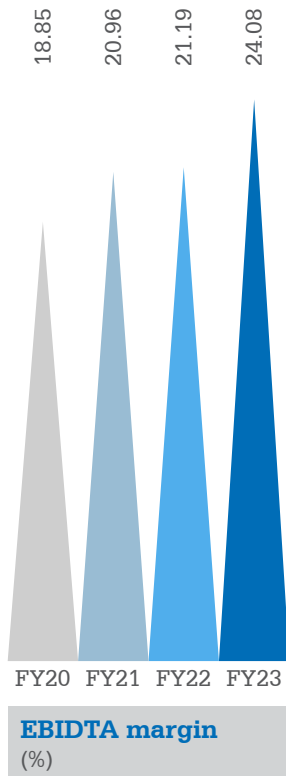
**PAT margin**  
(%)

**Definition**  
Net profit margin is a profitability measure used to assess a company's ability to generate a surplus (after expensing interest, depreciation and tax) on a rupee of sales, expressed as a percentage.

**Why is this measured?**  
The net profit margin provides an insight into the company's net earning capacity which can be compared across companies within the same sector.

**What does it mean?**  
This demonstrates the buffer available within the company to reinvest or reward shareholders.

**Value impact**  
The Company reported a 374 bps increase in net profit margin during FY 2022-23. The overall improvement in profit margins was largely due to cost reduction, better product mix, lower finance cost, price variation clause with customers that insulated margins from cost increases and other factors.

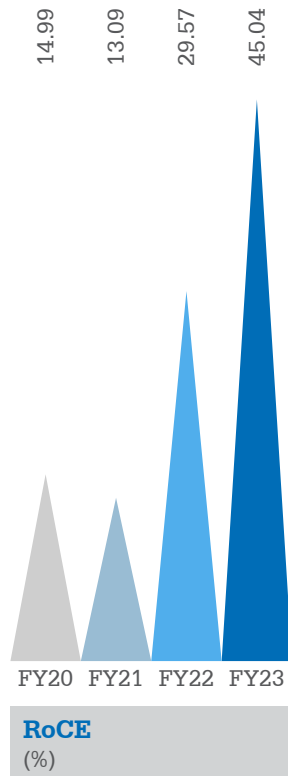


**Definition**  
EBITDA margin is a profitability measure to ascertain a company's operating efficiency.

**Why this is measured**  
The EBITDA margin provides an index of how much a company earns (before interest and taxes) on each rupee of sales.

**What this means**  
This measure demonstrates the buffer in the business, which, when multiplied by scale, can enhance the business surplus.

**Value impact**  
The Company reported a near 291 bps increase in EBITDA margin in FY 2022-23, which was our best year on account of a superior product mix, higher revenues and payback of business development costs.

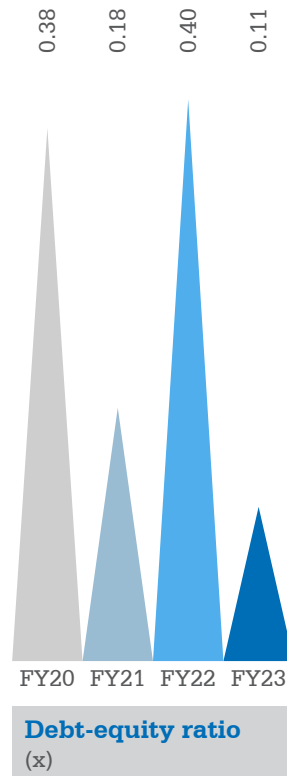


**Definition**  
This financial ratio measures efficiency with which capital is employed in the business.

**Why this is measured**  
ROCE is an insightful metric to compare profitability across companies based on their capital efficiency.

**What this means**  
Enhanced ROCE can potentially drive valuations and market perception.

**Value impact**  
The Company reported a 1,548 bps increase in ROCE in FY 22-23 following increased volumes, business growth and economies of scale (manufacturing, distribution and brand).

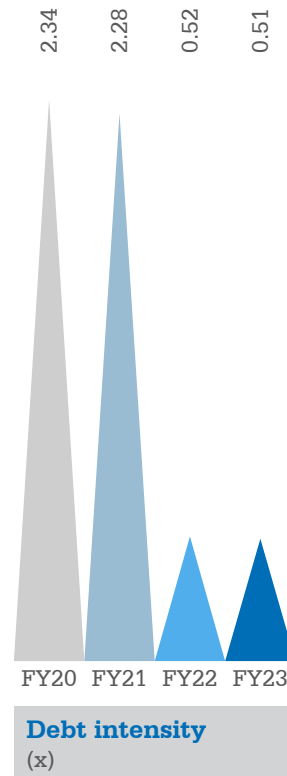


**Definition**  
This is the ratio of debt to net worth (less Revaluation Reserves).

**Why this is measured**  
This is one of the defining measures of a company's solvency and liquidity.

**What this means**  
This indicates whether the company enhances shareholder value by keeping the equity side constant and progressively moderating debt.

**Value impact**  
The Company's gearing stood at 0.11 in FY 2022-23 as it repaid all the long-term debt on its books. The company has been zero-debt (long-term) for two years.



**Definition**  
This is derived through the computation of the average cost of the consolidated debt on the Company's books.

**Why this is measured**  
This indicates the company's ability in convincing debt providers of the robustness of the business model and negotiating a lower debt cost (leading to higher margins).

**What this means**  
This translates into enhanced cash flows and strengthens credit rating leading to declines in debt cost.

**Value impact**  
The Company's finance cost was 0.51% of revenues in FY 2022-23, its lowest ever.



Chetan Tamboli  
Chairman and  
Managing Director

## **THE GLOBAL CASTINGS SECTOR: AT THE CUSP OF A STRUCTURAL SHIFT**

This is strengthening prospects for nimble players like Steelcast



## Overview

I am pleased to communicate that the financial year 2022-23 was a record one for our company.

Steelcast Limited did not merely report a linear growth in numbers; what pleases me is that the company reported profitable growth.

Even as revenues increased 58.13% during the year under review, the percentage increase in EBIDTA was sharper at 79.79%.

This validates that the company's revenue growth was not achieved through aggressive price discounting but from superior economies of scale and related competitiveness.

What is creditable is that the attractive growth in the company's revenues was ~8.5x India's economic growth and ~17.07x the global economic growth – for FY 2022-23 in the first instance and for 2022 in the latter.

The growth reported in the last few years has graduated the company into a completely different orbit. In FY 2019-20, Steelcast had reported revenues of ₹201.07 Cr; in FY 2022-23, revenues had grown to ₹477.93 Cr. This means what Steelcast achieved in nearly 60 years was more than replicated in the next three years.

## Structural shift

The one message that I wish to send out is that this extensive outperformance could not have been derived from a normal business flow; it was achieved on account of something more decisive and enduring – a structural shift.

To appreciate what is going into this structural shift, one needs to look around the world. Ever since the pandemic, the two words that have become crucial for business planners the world over are 'supply chain.' The pandemic disrupted shipments

from large manufacturing countries to consuming markets. This was one of the first occasions when dispatches were delayed and industrial users the world over felt that they could have been better off with proximate suppliers.

Considering that much of the world's manufactured products and components was derived from China, the pandemic-induced lockdown affected China's capacity to service the world. A large number of industrial customers began to conclude that perhaps the world would need an alternative to China as a supplying country; the term 'China plus one' was born. This term is not about moving away from China; the term is about creating an international supply point in addition to China with the objective to moderate an excessive dependence on the latter country.

The big message that I wish to communicate is that this strategic shift is not just being proposed or being discussed; it has already begun to happen. Some of the incremental business that we generated during the last financial year was a result of the structural shift; we generated 2.4% of our revenue from first-time customers and a sizable part of our

revenues from a larger share of the wallet of existing customers.

## Driving factors

What makes me optimistic is that this structural shift is being catalysed by some irreversible realities.

**One**, labour rate inflation in China is enhancing the cost structure of manufactured castings - the product principally manufactured by our company – in that country. There was a time when the Chinese wage rate was globally competitive; today, the wage rate in China is considerably higher than it was in the past and higher than competing nations like India. The result is that there is now a growing room for wage arbitrage within the castings sector, benefiting India and prominent manufacturers like Steelcast.

**Two**, the manufacturing of castings continues to be labor-intensive and perhaps even inconvenient from the perspective of physical exertion and heat exposure. This is one reason why the growth of the castings sector has slowed in developed economies and accelerated in countries like India, marked by a large pool of adaptable and industrious labour.

**Three**, India enjoys one of the best metallurgical regions in the world. The 'best' is influenced by the largest labor pool possibly anywhere in the world and a multi-decade experience tradition that has been handed down from generation to generation. The result is that India is not just a competitive castings producer; it is also a country that has demonstrated its capacity to make castings of the highest and most complex quality.

**Four**, India has demonstrated that its large, experienced and knowledge-driven labour pool can customise products around customer needs, can enter into enduring product supply relationships and ensures that its products reach

The growth reported in the last few years has graduated the company into a completely different orbit. In FY 2019-20, Steelcast had reported revenues of ₹201.07 Cr; in FY 2022-23, revenues had grown to ₹477.93 Cr.



customers just in time, The result is that a number of prominent Indian castings manufacturers – Steelcast among the more prominent – deliver large and complex castings just in time to customers half the world away – not as a one-off engagement but a sustained and dependable phenomenon.

**Five**, in this rapidly changing world customers seek stability and vendors are selected for reasons that extend well beyond the lowest bidding cost. In this transforming world, there is a premium to be paid for the ability to provide the highest quality at the best price-value proposition in the quickest time, an outcome of long-term investments in holistic building (systems, processes and practices).

### Conclusion

Our stakeholders are likely to ask: What does this mean for Steelcast?

This is my answer. This means that Steelcast will capitalise more effectively on this structural shift that generates more customer enquiries, higher share of the customer's wallet and enhanced revenue predictability.

This also means that a company like Steelcast could capitalise on its economies, strengthening its competitiveness and post a progressively higher margin on growing volumes – the makings of a successful volume and volume play.

I am optimistic that this shift within the global castings sector will raise the level of tide for companies like ours in a sustainable way, making it possible for us to touch a projected ₹1,000 Cr in revenues in a few years.

## ANALYSIS

# 6 WAYS IN WHICH STEELCAST IS ATTRACTIVELY PLACED TO CAPITALISE ON THE STRUCTURAL SHIFT

01

**Initiative:** Steelcast has invested in its business with a long-term perspective - the best assets, talent, infrastructure and technologies

**Differentiation:** Steelcast may have paid higher initially but those investments paid off incrementally across the long-term

**Outcome:** Enhanced quality, respect and revenues

02

**Initiative:** Built an organisation around integrity

**Differentiation:** The company shifted the needle from seeking short-term arbitrage opportunities to building patient organisational value

**Outcome:** Clarity on the right thing to do - by way of processes, initiatives and integrity



03

**Initiative:** Superior utilisation of our institutionalised experience and knowledge

**Differentiation:** Focus on the 'how' over the 'what'

**Outcome:** A competence in translating a customer's complex product requirement into a customised product; extensive clarity in arriving at the cost of product design, fabrication and machining; a rich metallurgical complement of skills required to make quality products

04

**Initiative:** Created a professional process-led work culture

**Differentiation:** Defined standard operating protocols; delegated responsibility cum authority to professionals; recruited subject matter experts

**Outcome:** The company now represents an interplay of top-down strategic vision and bottom-up tactical and operational controls

05

**Initiative:** Deepened a culture of governance

**Differentiation:** Enriched Board of Directors; strengthened compliances; built the business around technology, SoPs and transparency

**Outcome:** Enhanced respect and discounting on the capital markets, enhancing the company's value

06

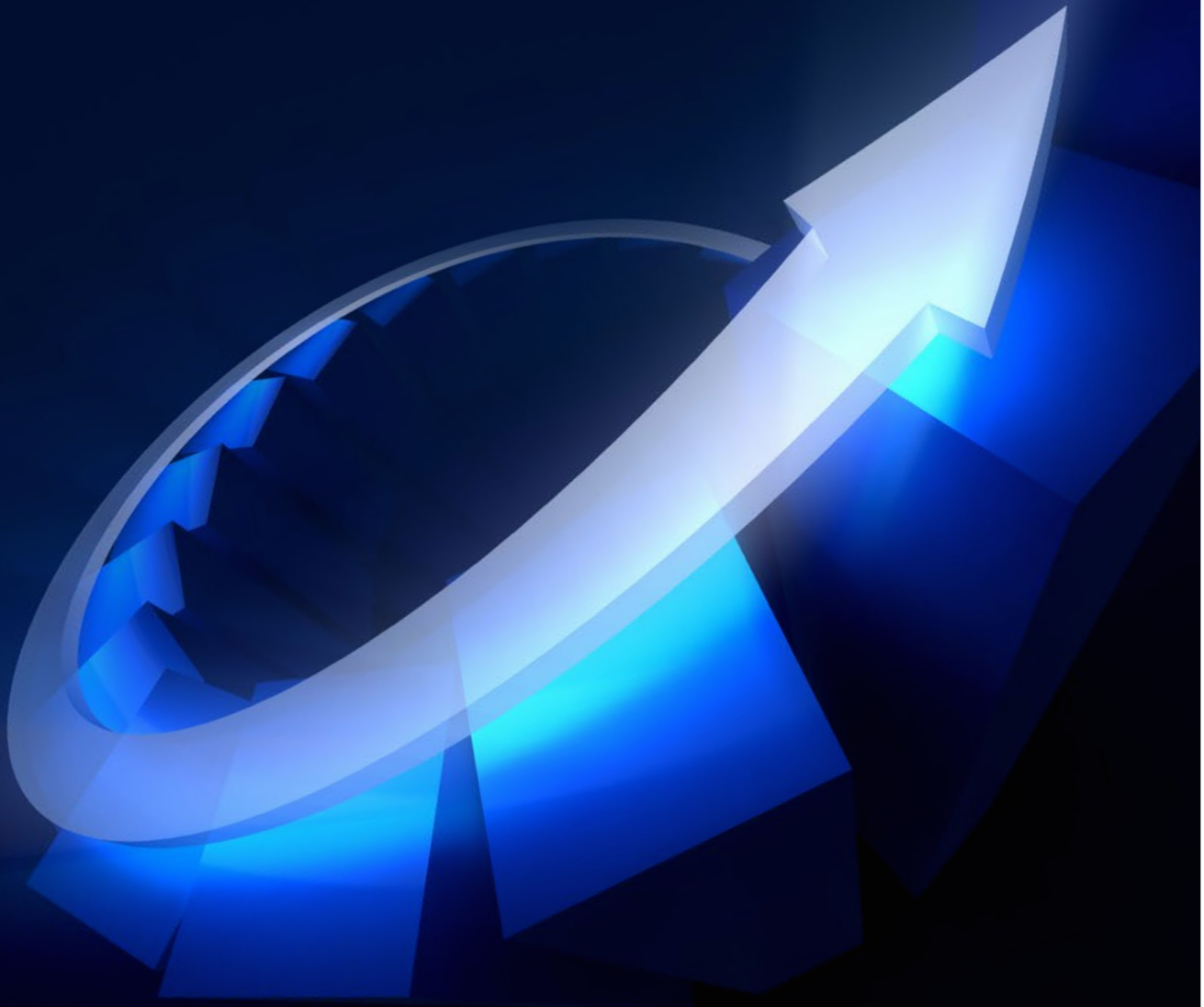
**Initiative:** Progressive de-risking of the company to sudden changes in external conditions

**Differentiation:** Entered into terms and contracts with long-term vendors; purchased metals at costs lower than the market or London Metal Exchange (LME); negotiated pass-through costs with customers

**Outcome:** Focused on efficient product conversion without taking inventory positions

OPERATIONAL REVIEW, FY 2022-23

**“THE INTRINSIC  
PROFITABILITY  
OF THE BUSINESS  
STRENGTHENED  
DURING THE YEAR  
UNDER REVIEW”**





### Q: What was the highlight of the company's performance during the year under review?

The performance of the company in FY 2022-23 was the eighth successive year of profitable growth. This point needs to be explained for it to be better appreciated. Steelcast is engaged in a challenging business where incremental revenues are derived through manual engagement – as opposed to machine-driven productivity – that makes it imperative to train and invest ahead of the curve. Besides, there is a challenge in growing beyond moderate teen percentages (twice the national growth average). In a world marked by a sharp rise in commodity prices (that made the cost of raw materials expensive for Steelcast), the company finished the year under review with record numbers – the highest revenues, highest EBIDTA and the highest PAT in its existence. The company's revenues grew 58.13%, EBIDTA grew 79.79% while PAT grew 111.96%, validating the intrinsically profitable nature of business.

### Q: What were some challenges addressed by the company during the last financial year?

**One**, the nature of the business remained intensely manual, which means that one could not raise production by the pressing of a button as would be possible in other businesses.

**Two**, increased output and quality precision came after a training lag, which put a premium on the ability to be proactively prepared.

**Three**, the effectiveness of the business was measured by output and revenues per square foot, which necessitated a techno-commercial clarity.

**Four**, there was an appreciation in ore, iron and steel prices in the initial part of the last year that increased costs for our business.

**Five**, there were extensive logistical disruptions in the supply of products from India to other countries, marked by a lack of vessel availability and high cost of freight.

The message that I wish to communicate is that these challenges notwithstanding, Steelcast outperformed. This is evident in the numbers: EBIDTA margin reported a 291 bps increase to 24.08%; Return on Capital Employed strengthened 1,529 bps to 43.64%; the company remained long-term debt-free for the last two years. The company finished the year under review with a Balance Sheet that emerged stronger than ever.

### Q: What was the single biggest factor that countered all the challenges and worked in the company's favour?

The single biggest factor was the company's customer capital. In our business, price competitiveness is but one slice of the company's value proposition. Our challenge is to price in a manner that does not just take into account the cost of raw material conversion but the entire customer proposition. Over the years, this understanding has positioned Steelcast as a holistic service provider as opposed to a uni-dimensional product provider.

This is how I would explain it: the supply of products from our factory to a customer's premises is a limited part of the value we deliver; we deliver periodically so that customers do not need to inventorise our products for long periods, straining their working capital outlay. Our timely delivery and service makes it possible for customers to moderate the cash intensity in their business and liberate precious stocking space.

Besides, we do not manufacture and market cookie cutter products. We understand customer needs; we benchmark our quality standards around the evolving standards of the most demanding customers; we deliver in line with a precise metallurgical recipe that does not underperform at the customer's (and is not over-provided at our end either). The result is that our products have established an impressive multi-year track record of robust performance at the customer's end.

The result is reflected in the quality of our customer engagement during the year under review: product returns from customers were less than 0.10%; we did not lose any customer during the year; we increased our wallet share of virtually every customer; we added new customers.

### Q: What gives you the optimism that this improvement may be sustained?

There are some good reasons why we expect that our revenue traction will be sustained.

**One**, we have observed that whenever the ore and metal sectors perform well, mining and rail equipment OEMs get into a capex mode, which translates into a larger offtake of specialised castings manufactured by companies like us.

**Two**, the broad basing of the global supply chain in the castings sector is translating into enquiries for us from large global companies where we had never made an inroad.

**Three**, whenever a global company comes looking for reliable castings manufacturers in India, Steelcast is inevitably shortlisted, which means that we enjoy a prominent position in the deal flow coming into the country.



We believe that it would not just be enough to grow; we will need to grow competitively. In view of this, Steelcast embarked on commissioning renewable energy capacity in FY 2022-23

### **Q: What competitive edge empowers Steelcast?**

A: Steelcast matches the price-value proposition offered by respected North American and Western Europe casting manufacturers. Steelcast's enquiry to order fulfilment cycle is shorter than most large and reputable casting manufacturers the world over, making it a preferred supplier. We have demonstrated that we are not just fleeting suppliers for a customer to capitalise on an arbitrage; we are evolving respect as long-term partners in the product development life cycle of some of the most respected companies in USA. Besides, Steelcast enjoys the advantage of a relatively low-cost nation like India where the overall labour cost is under control, where labour productivity is on the higher side and the labour subject matter knowledge is possibly unmatched anywhere in the world.

### **Q: How did the company capitalise on the traction coming out of its business?**

A: A few years ago, the company invested proactively in enhancing its manufacturing capacity from 17,000 TPA to 30,000 TPA, taking a decided call on the sectorial direction and a need to put manufacturing assets in place in line with an increase in projected demand. This proactive capacity creation sent out a signal to international customers that we would now be better equipped to supply a larger quantity anytime and anywhere. We also graduated

Steelcast into a professionalised structure marked by specialists in key positions, who, in turn, helped build multi-competence teams. We expect to enhance production capacities from 16,000 TPA in FY 2022-23 to 20,000 TPA in FY 2023-24

### **Q: How does the company intend to strengthen its business in FY 2023-24?**

A: We believe that it would not just be enough to grow; we will need to grow competitively. In view of this, Steelcast embarked on commissioning renewable energy capacity in FY 2022-23 and this is expected to generate ₹11 Cr in annualised savings year after year. We believe that this will not only help us cap power costs but will moderate the carbon footprint of our business. We also expect to make sales to the American railroad sector from the current year onwards, backed by a Certificate of Approval of Railroad Industry that we received in the last financial year.



# HOW STEELCAST INTENDS TO TAKE ITS BUSINESS INTO A HIGHER TRAJECTORY

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*There is a growing recognition that Steelcast will need to move faster than the change in the prevailing market through the following priorities*

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**One**, we intend to make strategic tooling investments that empowers us to shrink our product development time from 9-12 months to 6-7 months in addition to getting the product development right the first time.

**Two**, we are engaged in redesigning our shopfloor that should empower us to moderate the product development cycle time from 55-60 days to 40-45 days.

**Three**, we intend to remain debt-free from a long-term perspective but also eliminate all the short-term debt on our books during the current financial year. This will make it possible for our business to grow only using net worth, making it independent of any external fund providers. We believe that all the financial value generated by the business will then be transmitted completely and exclusively for shareholder benefit.

**Four**, we intend to shrink our working capital cycle from around 100 days to around 90 days.

**Five**, we intend to enhance our castings manufacturing capacity. The company will expand in a modular fashion, generating returns from each expansion that provides the resources for subsequent expansion. Besides, the company is a large product provider to the mining, earthmoving and construction sectors that have emerged as beneficiaries of commodity inflation.

**Six**, we intend to manufacture a larger proportion of value-added products, emphasising the point that there are only a handful specialised foundry companies in the world with Steelcast's integrated competencies (design to manufacturing to machining to quality assurance)



THE INDIA STORY

# HOW STEELCAST BENEFITS FROM CHINA PLUS ONE

## Overview

In recent decades, China has emerged as a top destination for companies worldwide seeking to invest in new markets. This is largely due to several factors, including low labor costs, a large and skilled workforce and a favorable business environment. As a result, many industries have established manufacturing facilities in China or outsourced production to Chinese firms to take advantage of these benefits.

The Chinese-origin Covid-19 virus forced global lockdowns, suspending businesses abruptly and indefinitely. This made companies across the globe to look for suitable alternative to de-leverage their supply chains from China.

## Factors that led to the China plus one strategy

### Increasing labour costs:

Over the past decade, manufacturing workers in China have tripled their annual income to more than \$9,300, according to the country's Bureau of Statistics. The labour costs in China are no longer considered cheap as they have nearly doubled, at par with European countries.

**Structural reforms:** Starting from 2009, various tax incentives for foreign-invested enterprises in China began to expire. Moreover, China has now implemented a unified corporate tax system, which has led to an increase in tax rates for companies operating within its borders.

**Zero Covid policy:** China lost significant portion of its manufacturing and export market share in key sectors due to its 'Zero Covid' policies leading to further erosion in its long-time dominance of global trade.

**Political unrest:** In recent years, China has been a part of a number of global conflicts including Hong Kong's independence movement, anti-Japanese protests and disputes in the South China Sea. This, along with the trade sanctions imposed by the USA, prompted some companies to consider disinvesting from China and diversifying into other emerging markets.

## Factors which make India a suitable alternative

**Large workforce:** India has the second largest workforce in the world.

**Low labour cost:** Indian stands at 55<sup>th</sup> among 60 countries with the highest average salary compared to China, which ranks at 39.

**Conducive government policies:** Government policies such as policy-linked incentive (PLI), Gati

Shakti, tax concessions, export duty, among others, enhance ease of doing business.

**Growing consumer base:** India has overtaken China as the most populous country, providing a large consumer base.

**Increasing disposable income:** Disposable personal incomes in India increased

to ₹27,41,33,400 Million in 2022 from ₹23,85,73,760 Million in 2021.

**Abundance of natural resources:** India has the fourth largest coal reserves globally, as well as large reserves of iron ore and manganese.

(Source: CEOWorld, tradingeconomics)



## STEELCAST'S BUSINESS MODEL...

...and how we  
intend to enhance  
value from it

### Best over big

Steelcast's success stems from its focus on being the best at what we do. In a capital-intensive castings business that requires scale and scope, a strong emphasis on competence is crucial for optimising asset utilisation, increasing revenues and improving profitability, leading to a reinvestment cycle that further enhances scale. Our philosophy has always been that passion drives scale and sustainability, not the other way around and our continued success validates this belief.

### R&D capabilities

Steelcast invested in an R&D team consisting of 17 professionals and a quality control team consisting of 116 professionals during the year under review. This investment has enabled us to manufacture specialised castings with demanding metallurgical properties, demonstrating our commitment to providing high-quality solutions to our customers.

### Well-integrated

Steelcast recognises that in our competitive business, success is derived from an accumulation of margins across products. However, once we integrate our overall solution, where one activity serves as the input for the next, the impact is anything but moderate. This integration, from design to fabrication to machining, is the core of our value-added sustainability, enabling us to deliver high-quality solutions to our customers.

### Portfolio flexibility

Steelcast has a horizontally integrated manufacturing architecture that offers inherent flexibility. We have the ability to shift production from one product to another, producing more of one and less of another, based on market dynamics that lead to higher margins. This flexibility strengthens our position as a company driven by RoCE and RoE, with a focus on profitability and the goal of being among the most profitable companies in our sector.

### Niche

Steelcast may be present in the large castings space, there is an emphasis on finding value-added niches. For instance, we have selected to manufacture complex and challenging castings using advanced metallurgical processes, an effective defence for our business. This makes it possible for demanding customers to work with us in the long-term, preventing them from moving to other vendors only on the basis of the lowest price.



## Machined

Steelcast is committed to increasing the percentage of our output that consists of machined ready-to-use components, thereby eliminating the need for our customers to perform additional processing of our products at their end. This enables us to deliver a product that has already been transformed into a solution, providing greater value to our customers.

## Global

Steelcast is committed to meeting the requirements of downstream original equipment manufacturers (OEMs) globally. Our focus on delivering high-quality solutions has led to 60% of our revenues being generated through exports. In the fiscal year 2022-23, 96% of our global revenues were generated from customers who have been with us for at least five years and no single customer accounted for more than 32.06% of our global revenues.

## Environmentally responsible

Steelcast recognises the increasing importance of environmental responsibility beyond what is legally required. We believe that being environmentally responsible not only benefits the environment but also enhances employee morale, community respect, lender confidence and shareholder assurance. Surprisingly, investing in environmentally friendly assets has not only been a defensive move, but it has also helped us reduce resource consumption and costs, ultimately strengthening our profitability. We firmly believe that 'green' business is good business and we remain committed to environmental responsibility.

## Difficult to make

Steelcast has chosen to specialise in producing challenging castings with intricate and demanding metallurgical properties, specifically for downstream applications. This unique capability serves as a significant competitive advantage for the company, operating in a niche space that leads to long-term and expanding partnerships with existing customers, referrals to new customers and value-added engagement terms.

## International footprint

Steelcast has broadened its reach nationally and internationally, catering to a variety of original equipment manufacturers (OEMs) in different industries, including earthmoving, mining, construction, cement, steel, railway infrastructure, railway locomotives, ground-engaging tools and transportation. A significant number of these OEMs rank among the top five globally in their respective industry segments.

## De-risking

At Steelcast, we enter into contracts with customers where we pass on cost increases or declines to customers. Our pre-decided sales price variation clause removes ambiguity, enhances our focus on operational efficiency and product customisation and ensures that our profitability is completely influenced by our core competitiveness.

## Liquidity

At Steelcast, we prefer to work with high liquidity and low debt. The Company did not have any long-term debt at the close of FY 2022-23; our cash accruals were ₹88.67 Cr as on 31<sup>st</sup> March, 2023 and is likely to increase further.

## Certifications

We have successfully increased our customers' confidence by obtaining a range of certifications such as ISO 9001, ISO 14001, ISO 45001, EN 9100, Class A Certified Foundry, TPG Certificate for casting, heat treatment and non-destructive testing (NDT) and NABL accredited in-house laboratory. In addition, we have invested in an in-house machine shop and acquired advanced measuring instruments like Fixed CMM and Faro Arm to ensure the highest level of precision in our work.

# OUR STAKEHOLDER VALUE-CREATION REPORT, FY 2022-23

How we enhanced value in an integrated, inclusive and sustainable way

## Overview

The Integrated Value-Creation Report explains the sectoral context, analyses corporate strategy and appraises competitiveness. The result is that different corporate dimensions (financial, management commentary, governance and remuneration

and sustainability reporting) express an organisation's to enhance holistic value in a sustainable way.

The report explains how an organisation enhances value beyond the financial. It enhances an understanding

of value creation for all stakeholders - including employees, customers, suppliers, business partners, local communities, legislators, regulators and policy-makers – and in doing so, reconciles the 'hard' with the 'soft' (non-financial data).

Protected and grown specialised subject matter knowledge

Timely capacity expansion in line with growing client needs

Ability to customise castings in line with increasingly demanding properties

Marketing products across nine sectors and countries

Reinvestment of profits into the business

Zero long-term debt

**How we have enhanced value**

Multi-year relationships with vendors and customers = Business predictability

## Steelcast stakeholders

At Steelcast, we believe that the interplay of value for our various stakeholders has translated into superior profitability and sustainability.

**Stakeholder:** Our employees represent the aggregate knowledge of how to grow the business across a range of functions (procurement, manufacturing, machining, sales and distribution, finance etc.).

**Focus:** Our focus is to provide an exciting workplace, generate stable employment, train intensively, pay fairly, enhance productivity and retain effectively.

**Stakeholder:** Our shareholders and lenders provided capital when we went into business.

**Focus:** Our focus is to generate sizable free cash flows, enhanced RoCE and superior investment valuation. This makes it possible to reward shareholders and address lender obligations on schedule.

**Stakeholder:** Our vendors provide credible and continuous supply of resources (steel) and services

**Focus:** Our focus is to maximise quality procurement at declining average costs (in lieu of volume-based procurement) with the objective to sustain our manufacturing schedules without interruption.

**Stakeholder:** Our customers keep us in business through a consistent purchase of products, generating the revenues to sustain our operations.

**Focus:** Our focus is to provide customised products across demanding applications for different sectors – delivered on time and in full, the essence of global outsourcing

**Stakeholder:** Our communities provide the social capital (education, culture etc.).

**Focus:** Our focus is to support and grow these communities through consistent engagement.

**Stakeholder:** Our government provides a stable structural framework (law, order, policies etc.) that makes it possible for us to focus completely on our business

**Focus:** We pay our statutory dues on time and in full; our business model is aligned with national economic policies.

# The resources of value-creation

## OUR RESOURCES

### Financial capital



The financial resources that we seek are based on funds we mobilise from investors, promoters, banks and financial institutions in the form of debt, net worth or accruals.

### Manufactured capital



Our assets, technologies and equipment for service delivery constitute our manufactured capital.

### Human capital



Our employees form a part of our workforce, their experience and competence enhancing our value.

### Intellectual capital



Our focus on cost optimisation and operational excellence, as well as our repository of proprietary knowledge, account for our intellectual resources.

### Natural capital



We depend on nature; our operations have a moderate impact on the natural environment.

### Social and relationship capital



Our relationships with communities and partners (vendors, suppliers and customers) influence our role as a responsible corporate citizen.



VALUE CREATED

477.93

₹ Cr, turnover in FY 2022-23

34.84

₹, earnings per share in FY 2022-23

43.64

%, RoCE in FY23

15,275

MT, Quantum of tonnage produced in FY 2022-23

15,740

MT, Quantum of tonnage sold in FY 2022-23

1,573

Direct and indirect employees, FY 2022-23

37.01

₹ Cr, total remuneration, FY 2022-23

28

Cumulative senior management experience 640 person-years

81.31

% of sand recycled and re-used

38

Number of customers, FY 2022-23

1,515

Number of vendors, FY 2022-23

VALUE SHARED WITH

Investors

The company enriched investors through dividends and capital appreciation

Suppliers

The company sourced ₹121.90 Cr of materials/services from suppliers/vendors

Employees

The company provided remuneration worth ₹37.01 Cr and stable employment

Customers

The company provided castings for diverse applications

Government and regulations

The company paid ₹25.18 Cr to the exchequer; the employment catalyzed the local community through downstream economic benefits

Distributors and suppliers

The company enhanced value for distributors and retailers through sustained resource offtake.

# Our strategy



**Strategic focus**



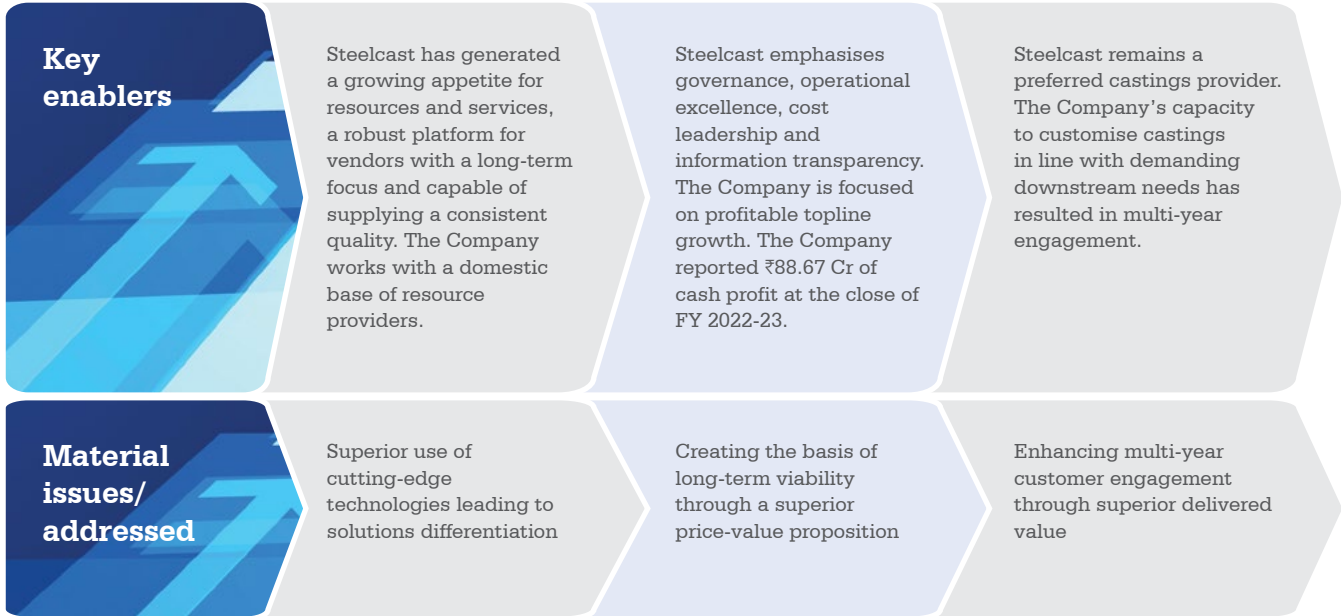
**Vendor focus**



**Shareholder focus**

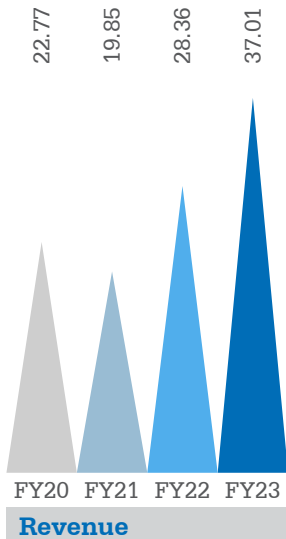


**Customer focus**



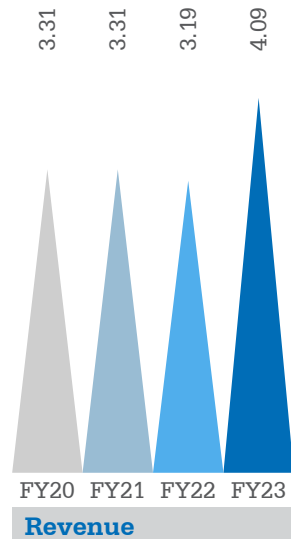
# Our value-creation in numbers

**Salaries and wages**  
(₹ Cr)



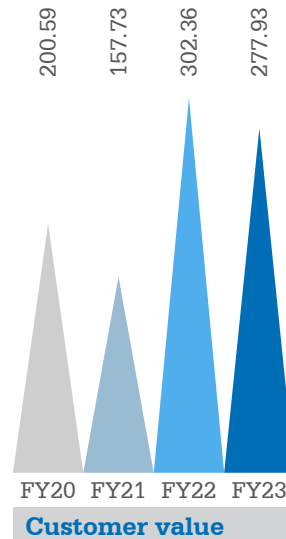
The company has invested a progressively larger amount in employee remuneration, underlining its role as a responsible employer

**Revenue per person**  
(₹ Cr)



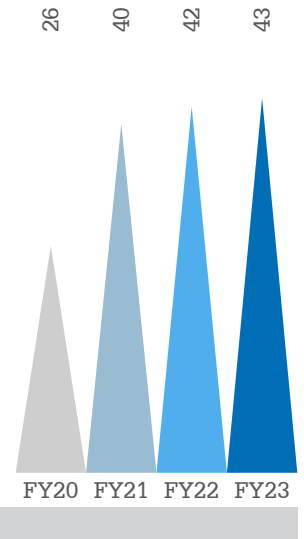
The company's investment in its people (training, empowerment and career growth) translated into increased productivity as measured in terms of revenue per person

**Revenues**  
(₹ Cr)



The company has generated increased revenues, an index of the value created for customers coupled with an increase in average items sold to each customer.

**Customers**  
(Number)



**Employee focus**

Steelcast is an employer of more than 905 people. The Company empowers professionals through growing roles and responsibilities. It trains employees, provides stable employment and other supports.

Creating a professional culture seeking overarching excellence in everything the Company does

**Community focus**

Steelcast is a responsible corporate citizen. The Company provided more than 0.18 Mn meals in FY 2022-23. The Company invested in renewable energy, sewage treatment, recycling biodegradable/plastic/e-waste and ozonator water treatment as a part of its commitment to a cleaner world.

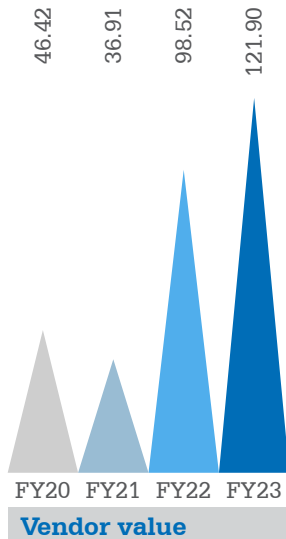
Responsible community engagement, which comprises a license to operate

**Government focus**

Steelcast pays taxes in the geographies of its presence, generates local employment, complies with laws and statutes and enriches the communities where it is present. The Company generated ₹278.03 Cr in foreign exchange earnings for its Indian operations in FY 2022-23.

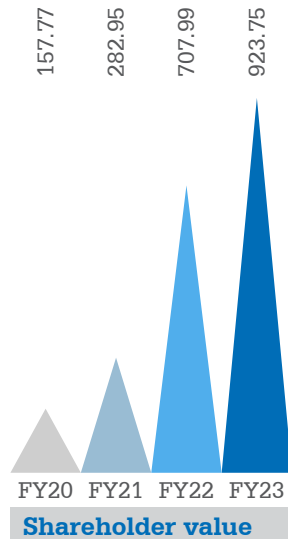
A complete compliance with statutory dues and approvals

**Procurement**  
(₹ Cr)



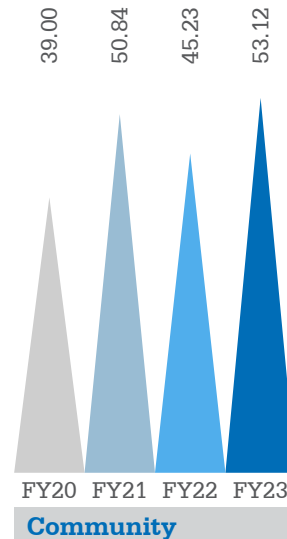
**Vendor value**  
The company procured a larger quantum of resources through the years, strengthening procurement economies

**Market capitalisation**  
(₹ Cr)



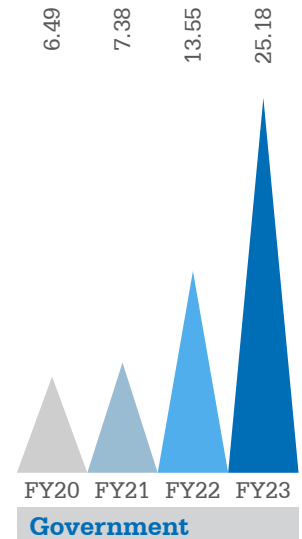
**Shareholder value**  
The company strengthened shareholder value through a complement of prudent business strategy, accrual reinvestment, leveraging of its value chain, cost management and share buyback.

**CSR investment**  
(₹ Cr)



**Community**  
The company enriched communities in the geographies of its presence.

**Taxes paid**  
(₹ Cr)



**Government**  
The company reinvested in the nations where its operations are located through the prompt payments of taxes and other statutory dues.



MANUFACTURING

# OUR CULTURE OF MANUFACTURING EXCELLENCE





## Overview

The Company manufactures steel and alloy casting products. The company's competence is reflected in its extensive product range: from 2.5 Kg to 2,500 Kg, the competent use of sand-based and shell moulding

processes as well as the capability to produce more than 300 parts.

The Company's production capacity was 30,000 MTPA, during the year under review. In the last six

years, it serviced a number of new downstream sectors by introducing new parts for new customers. The company reported a 51% capacity utilisation during the last financial year.

## Strengths

|   |   |  |                                     |  |
|---|---|--|-------------------------------------|--|
| High entry barrier in the foundry industry; the space is occupied by longstanding players | Investment in state-of-the-art equipment (cobalt camera, radiography facility with IR2 and pattern shop requirements) | Team of skilled professionals with a range of capabilities | Proximity to raw materials and port | Order book visibility of 4 months in advance |
|---|---|--|-------------------------------------|--|

## Challenges and counter-initiatives

**Challenge:** The company encountered inflation related to steel scrap, ferro-alloys, oil and gases following the Russia-Ukraine war.

**Mitigation:** The company explored alternative raw material sources until prices stabilised by the end of FY23.

**Challenge:** The company encountered issues with quality consistency.

**Mitigation:** The company established a quality assurance function for 100% OEM supplies. The Company's resolved the challenges

and generated more than 60.13% revenues from exports.

## Highlights, FY 2022-23

The Company's production capacity was increased from 17,000 MTPA to 30,000 MTPA coupled with process upgradation and new technologies.

The Company invested ₹28 Cr in new furnaces, computerised numerical machines and shot blasting machines, eliminating

dependence on third party vendors. This enhanced productivity from 800 Tonnes per month to 1,273 Tonnes per month.

The Company signed a power purchase agreement for hybrid power (solar and wind ) projects for 25 years.

The Commissioned its own capex solar power plant with an investment of ₹25 Cr.

The Company entered into new downstream customer segments (defence and rail transport).

## Outlook

The Company expects to reach 100% capacity utilisation by FY 2026-27, produce 5,000 Tonnes per quarter and growing over 20% per year by

volume. The newly-commissioned hybrid and solar power capacity is expected to address 80% of the Company's total power requirement

at the prevailing capacity utilisation leading to annual savings of over ₹11 Cr.



### Overview

The company specialises in the manufacture of products for high-performance mission-critical applications. The result is a corresponding premium on quality and durability. The company

positioned itself as a one-stop solution for customers, coupling product delivery with follow-up service. The long-standing relationship with customers has generated revenue stability and

visibility, providing the company the confidence to enhance its manufacturing capacity.

### Strengths

- Large portfolio of longstanding customers who have been buying for 25-30 years

- Strategic supply engagement with most clients, resulting in familiarity of needs of capabilities

- High sectorial entry barrier (only five major Indian players), marked by barriers of capital access, technology and scale

### Challenges and counter-initiatives, FY23

**Challenge:** Domestic realisations were lower than exports.

**Mitigation:** The Company engaged in the domestic market whenever it encountered remunerative

realisations, even as it continued to generate a majority of revenues from international markets.

### Highlights, FY 2022-23

- 80.55% of the company's revenues in FY 2022-23 were derived from customers of twenty years or more

- 60.13% of the company's revenues were derived from international sales; international sales increased 59.56% in the five years ending FY 2022-23

- The Company serviced the needs of more than 45 customers (engaged at least once in the last five years)

- The five largest sectors serviced by the company accounted for 97.70% of the Company's revenues in FY 2022-23

- The company's order book more than doubled in the last one year,

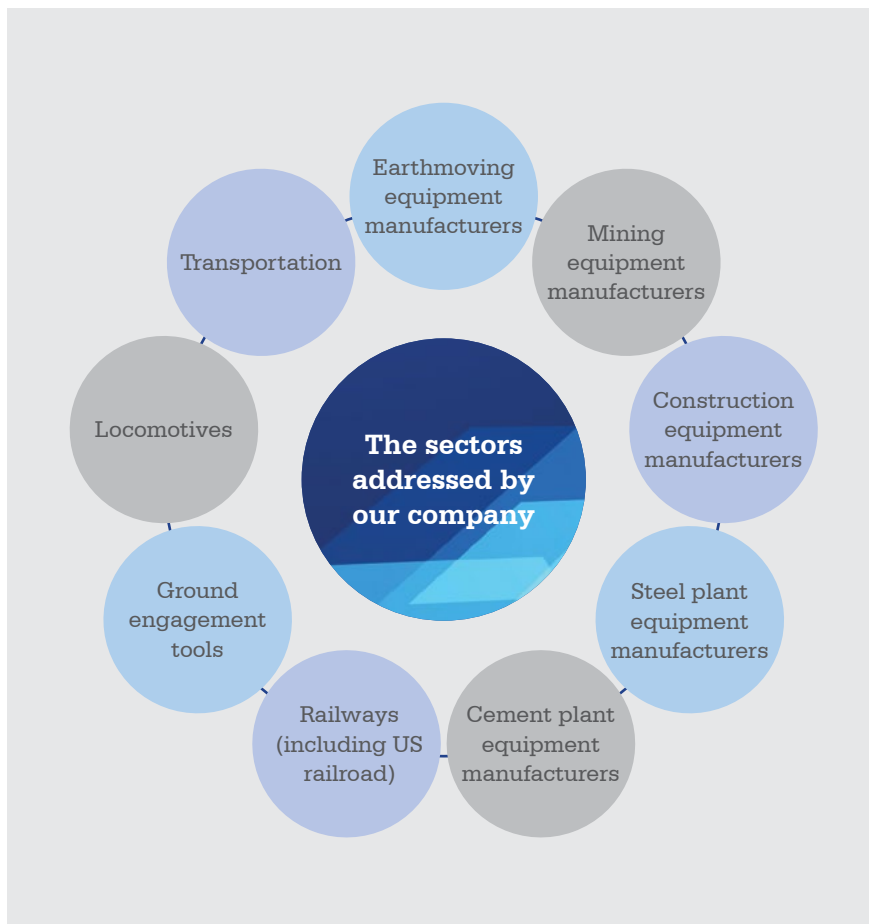
generating 3-4 months of revenue visibility (based on FY 2022-23 revenues)

- Around 70% of the company's turnover comes from machined castings.

- The company achieved a turnover of ₹477.93 Cr.

## Outlook

We expect growth from the introduction of new parts servicing the growing needs of existing and new industries.



## Big numbers

211

Parts sold during  
FY 2021-22

240

Parts sold during  
FY 2022-23

21

Parts developed during  
FY 2021-22

16

Parts developed during  
FY 2022-23

38

Number of loyal  
customers



## Overview

Steelcast has a strong global presence on account of its passion to deliver products that are at par with international benchmarks. Moreover, a prudent mix of global and domestic market will be able to insulate us from any volatility caused by macroeconomic factors affecting either of these markets.

Steelcast is expanding its international presence to decrease its reliance on the domestic market. By doing so, the company aims to

tap into global opportunities and diversify its customer base. Steelcast offers a wide range of products that cater to various industries, including earth-moving, mining and mineral processing, locomotives, defense, railroad and construction sectors. This diverse product portfolio positions the company as a comprehensive solution provider for its global customers.

The company is taking advantage of a trend in manufacturing capacities

shifting from developed countries to developing countries. This shift is driven by opportunities for wage and knowledge arbitrage, where developing countries often offer lower labor costs and emerging technical expertise. By capitalising on this trend, Steelcast can potentially access new markets, benefit from cost efficiencies, and leverage the expertise and resources available in these developing countries.

## Strengths

- The company's international clientele comprises Fortune 500 companies
- The company possesses the ability to design and fabricate complex machine products in line with international benchmarks
- The manufacture of products using computerised machines has helped save corresponding time
- The company's competitive pricing helped enhance the price-value proposition for customers
- The delivery of quality products on time and in full helped customers moderate their finished products inventory and corresponding working capital

## Challenges and counter-initiatives

**Challenge:** The global economic slowdown could impact the company's exports.

**Counter-initiatives:** The company addressed the growing needs of infrastructure industries, which attracted investments despite the

slowdown. The sustained demand growth protected the company from the impact of a global economic slowdown.

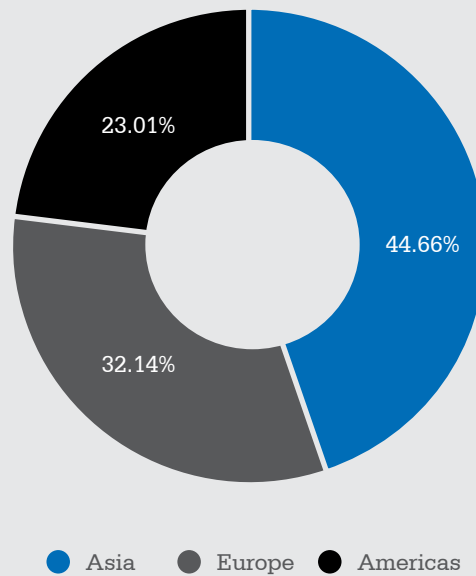
### Highlights, FY 2022-23

- The Company's exports grew 69.63% to ₹279.84 Cr
- The Company's exports accounted for 60.13% of the Company's revenues
- The Company generated 60.13% revenues from exports to 9 countries.
- The Company's global revenues from customers of five years or more comprised 96% of the company's revenues
- The company's presence in five largest countries of its export market accounted for 98.77% revenues in FY 2022-23
- The Company applied for certification to supply to the large American railroad industry, which could emerge as a large revenue driver

### Outlook

The company expects to increase its presence to more than 15 countries in the next five years

Destination of sales revenues by %, FY 2022-23





### Overview

To address growing demand for products that are not only safer but also of higher quality, the design, fabrication and machining of complex castings require specialised research. This commitment has been a vital part of the company's operations since its inception. The

company established a dedicated R&D division in 1976, which was later recognised by the Department of Science and Technology. The company's R&D function has played an active role in cost reduction and quality enhancement.

The company's R&D functions comprise the following:

- Failure analysis of products
- Support customers in selection/application of specific materials
- Regular audit checks using state-of-the-art testing facilities

### Strengths

The Company possesses a portfolio of 240 parts, one of the largest in India's specialised castings sector.

The Company's product portfolio consists of parts addressing mission-critical requirements across downstream sectors.

The Company's R&D function follows an institutionalised approach of periodic audits and they have installed new equipment with five-axis machining features to

optimise cycle times and improve productivity.

The company has invested in testing equipment that can analyze different types of sands, such as resin-coated and no-bake sands and evaluate critical parameters of quenching media like water and polymer.

The company possesses robust technology platform that includes software simulation, Magma solidification tools, internal radiography with iridium and cobalt

and a heat treatment facility with an agitation system. This platform enables them to deliver high-quality products that meet the most demanding requirements of their customers.

The company invested in in-house machine shop along with measuring instruments like fixed CMM, Faro Arm, etc.







### Technology upgradations

- Building of state-of-the-art mechanical and thermal reclamation plants for ensuring consistent quality of mold backing and facing sand, vital elements for producing quality castings

- Conversion of heat treatment furnaces from liquid fuel (FO/LDO) to gas based (LPG) for achieving higher thermal uniformity inside the furnace chamber, an essential requirement for metallurgical quality of castings

- Upgradation of existing spectrometer, which enables better nitrogen control for castings quality
- Replacement of the conventional Co2 molding process to the PUNB no bake process.

### Benefits of new processes and technologies

|  |   |   |
|--|---|---|
| 20T double door heat treatment           |    | Consistent temperature uniformity.                  |
| In-line mold drying tunnel/hood          |    | Uniform mold drying                                 |
| Advanced quenching and agitation system  |  | Water/polymer quenching of castings                 |
| High-tech roll over type flood coat unit |  | Better and consistent refractory coating molds      |
| Fully automated pouring/cooling line     |  | Consistent cooling of poured castings               |
| Battery of fully automated CNC machines  |  | Consistent dimensional quality of machined castings |

### Benefits of new processes and technologies

|   |                              |  |  |                                |                              |
|---|------------------------------|--|--|--------------------------------|------------------------------|
| Development of railway castings – side frames, bolsters, couplers, bogies, etc. | Reduction in throughput time | Substantial reduction in sub surface defects | Reduction in external rejections leading to reduced PPM levels | Enhancement in overall quality | Improvement in overall yield |
|---|------------------------------|--|--|--------------------------------|------------------------------|

### Outlook

The Company will continue to enhance its R&D capability to improve product quality and productivity.

The Company plans to offer new products to existing customers and introduce new products for applications in new sectors.





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### Overview

Steelcast, being a knowledge-oriented enterprise, recognises that its competitiveness is influenced by its workforce effectiveness. The company

made significant investments in hiring individuals with diverse competencies, qualifications, experience and expertise. By empowering its employees, holding

them accountable, providing fair performance appraisals and offering competitive compensation, Steelcast achieved talent retention of 98.06% during the year under review.

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### Initiatives

▪ The company recruited professionals with steel casting expertise to address a growing order book

▪ The company implemented welfare schemes that enhanced people retention

▪ The company hired freshers and retired professionals, strengthening its knowledge pool.

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### Challenges and counter-initiatives

**Challenges:** There was a dearth of steel cast manufacturing expertise in Bhavnagar.

**Mitigation:** The Company hired freshers and upskilled them in steelcasting. It embarked on annual increments, reward for exceptional

performance, loan facilities, gifts on weddings and birthdays as well as canteen meals at subsidised rates.

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### Conclusion

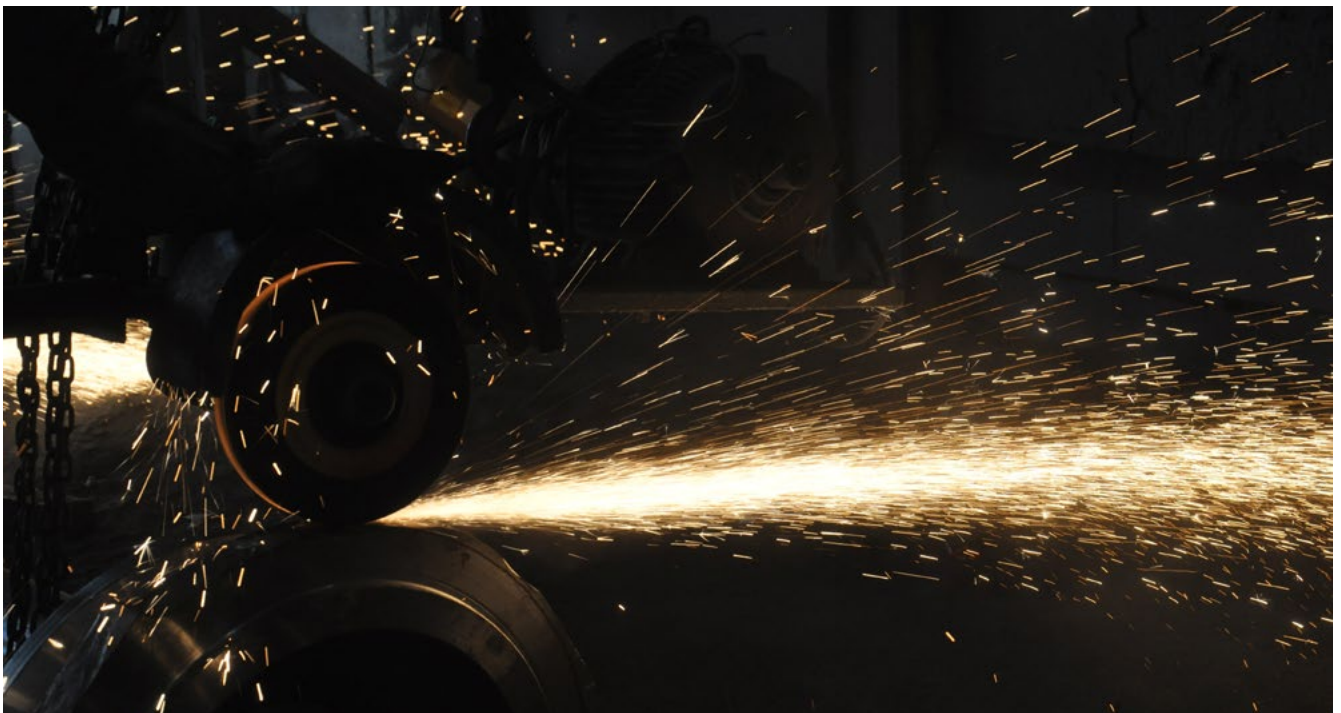
In recent times, the Company has made an effort towards recruiting and retaining the right kind of talent through reward and recognition. As

a result, our retention rate increase to one of its highest at 98.06%. Since last one year, there has been a significant increase in the number

of people working from ages 18-35, establishing Steelcast as an organisation that nurtures young talent.

| Particulars             | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|-------------------------|------------|------------|------------|------------|
| Employee (SOR)          | 688        | 599        | 887        | 905        |
| Retention rate %        | 97.87      | 96.63      | 98.55      | 98.06      |
| Training person-ours    | 7,045      | 4,334      | 5,226      | 8,235      |
| Employees, 18 to 21     | 4          | 2          | 55         | 60         |
| 22 to 35                | 354        | 266        | 474        | 473        |
| 36 to 45                | 169        | 178        | 213        | 232        |
| 46 to 60                | 161        | 153        | 145        | 140        |
| Total                   | 688        | 599        | 887        | 905        |
| Employees, <5 Years     | 300        | 259        | 563        | 565        |
| >5 Years                | 388        | 340        | 324        | 340        |
| Qualification, Graduate | 21         | 21         | 25         | 42         |
| Masters                 | 9          | 6          | 9          | 8          |
| Engineers               | 168        | 158        | 217        | 241        |
| MBA's                   | 3          | 3          | 3          | 3          |
| Chartered accountants   | 1          | 1          | 1          | 2          |
| Others                  | 486        | 410        | 632        | 609        |

| Particulars                       | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|-----------------------------------|------------|------------|------------|------------|
| Revenue per employee (₹ in Lakhs) | 29.22      | 26.58      | 34.09      | 52.82      |





### Overview

Steelcast deepened its investment in ESG, prioritising holistic business growth, sustainability and respect. This was partly inspired by the company’s ideals and partly by a growing demand from socially conscious investors and shareholders seeking credible initiatives to assess a company’s long-term value creation direction.

This trend has been reflected globally, with more manufacturers recognising the financial and environmental benefits of sustainable business practices and regulatory agencies imposing strict

environmental norms to reduce harmful impacts (resource depletion, water scarcity and pollution).

The result is that sustainable manufacturing practices are becoming increasingly important, involving economically sound processes that moderate the consumption of energy and natural resources while minimising negative environmental impact and enhancing employee, community and product safety. There is also a growing emphasis on aligning business practices with the United Nations’ 10 principles for manufacturing

responsibility and environmental sustainability, which include human rights, labor interests, environment responsibility and anti-corruption initiatives.

Although Steelcast is not mandated to report ESG initiatives, it has voluntarily decided to submit a business responsibility and sustainability report (BRSR), which will cover several ESG parameters. This has enabled Steelcast to provide transparent information to stakeholders about its commitment to sustainable business practices and responsible corporate citizenship.

### Our management’s approach

Steelcast focuses on using fewer resources while increasing production output and minimising environmental impact.

Steelcast believes that the most successful, profitable and sustainable businesses are those that adhere to strict environmental standards.

Steelcast produces specialised castings using responsible processes and low-carbon technologies that

enhance energy and resource efficiency while reducing carbon footprint.

Steelcast developed risk mitigation policies that are aligned with its long-term vision of enhancing sustainability and prosperity.

Steelcast seeks to moderate its environmental footprint, preserve the planet and limit resource consumption by investing in

modern technologies, practices, methodologies and standards

Steelcast emphasises manufacturing scalability on the one hand without depleting finite natural resources on the other. This environment responsibility has been reinforced through the various R’s - reduction, recycling, restoration, replacement and renewables.



## Our Environment commitment

As a business that depends on nature-extracted raw materials, a robust environment management system is essential to ensure the long-term sustainability. The Company sources raw materials through environmentally responsible processes, extracts only what is

necessary from natural resources, recycles waste and moderates fuel consumption, minimising ecological impact and enhancing business sustainability.

### Operational pollutants

- Sand
- Oil
- Fumes from machines
- Noise from machines

## Our Environment initiatives

- Installation of energy-efficient furnaces and thermal reclamation units
- Investment of ₹30 Cr in renewable energy in FY23
- Engagement in power trading
- Replacement of furnace oil and light diesel oil with green fuel(PNG)
- Implementation of no-bake system of casting, which helps in 80% thermal reclamation of sand.

- Disposal of solid and liquid pollutants through vendors approved by the Pollution Control Board
- Utilisation of sewage treatment plant-recycled water for gardening
- Utilisation of locally supplied water instead of directly drawing from ground water
- Monitoring of emissions beyond legal compliance requirements

- Conducting environmental awareness and training programmes
- Installation of dust collection system, fumes extraction system, dust extraction system etc.
- Celebration of 5S(sort, set-in-order, shine, standardise and sustain) weeks

## Our Social commitment

The social segment of our business focusses on our relationship with various stakeholders such as employees, employees, customers, vendors and institutions in the communities where we are engaged in business.

**Employees:** Our focus has been on achieving a high standard of quality for our products and processes, as well as being a leader in resource productivity, cost management and sustainability. We made prudent investments in recruitment, retention and training to improve the efficiency and effectiveness of our business functions. We implemented safety measures like training, protocols, certifications and awareness-building to ensure workforce well-being.

**Customers and vendors:** The Company deepened relationships with vendors who provided capital equipment and spares.

**Community:** The company worked with communities surrounding its manufacturing location to promote sustainable development. The goal is to extend the benefits of economic prosperity to a broader range of stakeholders through targeted interventions.

## Our Social initiatives

- We organise safety training and awareness for employees across the organisation
- We conduct daily monitoring through daily operations control report (DOCOR) of incidents
- We installed 220 KL fire hydrant system, 237 fire extinguishers, 95 fire buckets and sprinkler system on LPG bullets
- We undertake third party safety audit every two years
- We distribute PPE kit among workers
- We implemented a rewards and recognition programme
- We held periodic medical check of employees and workers
- We maintain a record of accidents and incidents
- We hold frequent mock drills, safety committee meetings and celebration of safety week

## Achievements

- The company installed a solar power plant of 5MW with an investment of ₹25 Cr; installation of a solar and wind plant of 4.5 MW is under commissioning.
- All projects comprised 20% green cover

## Health and safety incidents

| As on 31 <sup>st</sup> March, 2023 | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|------------------------------------|------------|------------|------------|------------|------------|
| Accidents                          | 151        | 70         | 46         | 94         | 113        |
| Incidents                          | 0          | 5          | 15         | 16         | 21         |

## Our Governance commitment

Steelcast's governance approach pertains to the set of protocols, regulations and procedures implemented to ensure effective

self-governance, sound decision-making, legal compliance and fulfillment of external stakeholder requirements. The company's

governance framework prioritises predictability and uniformity, attracting like-minded stakeholders who share its values.

|   |  |                                      |   |  |                          |                                       |
|---|--|--------------------------------------|---|--|--------------------------|---------------------------------------|
| Strong Board with respected Independent Directors | Five Independent Directors and Two Non-Executive Non-Independent Directors out of which one is woman | Effective Board Committee structures | Anti-bribery Policy, Quality Policy and Sustainability Policy | Whistleblower policy / vigil mechanism | Sexual harassment policy | Prohibition of insider trading policy |
|---|--|--------------------------------------|---|--|--------------------------|---------------------------------------|

RESPONSIBILITY



**Overview**

Steelcast is not merely a manufacturer of safe and technologically advanced casting products; it is a socially conscious corporate that aims to promote prosperity across the deprived sections of the society.

Steelcast's corporate citizenship is guided by several priorities, including the belief that business should be used to make the world a better place.

Steelcast extends its support towards those who have no vested interest in the company and aligns

its social responsibility projects with national and regional priorities.

Steelcast does not limit itself to the obligatory fund allocation and engage deeply to make an enduring positive difference and partners with specialised agencies to service the local population better.

Steelcast focuses on responsible engagement that empowers beneficiaries to take control of their lives and engage in programs that are relevant to grass-root existences.

These programs are based on need-assessment surveys in relevant

locations, using various social research methodologies.

Steelcast's CSR policy is directed by a CSR Committee and senior management; outcomes are periodically tracked.

Steelcast focused on education, health care, malnutrition, skill development, women empowerment, disaster management and environment conservation with the objective of mitigating poverty, unemployment and environment imbalance.

**CSR expenditure (INR in Lakhs)**

|   |  |  |  |  |
|---|--|--|--|--|
| <p><b>4.25</b></p> <p>Women empowerment</p> | <p><b>20.00</b></p> <p>Skill Development</p> | <p><b>15.11</b></p> <p>Child education</p> | <p><b>11.06</b></p> <p>Health care</p> | <p><b>2.70</b></p> <p>Environmental and ecological balance</p> |
| <p><b>Total: 53.12</b></p>                  |  |  |  |  |



Contributing to eradicating hunger and malnutrition through supporting food distribution programs



Promoting education program for underserved or less privileged population



Promoting girl/women education through e-library and reading room facility



In house skill development centre for betterment of employment prospects

## STEELCAST LIMITED

CIN: L27310GJ1972PLC002033

Registered Office: Ruvapari Road, Bhavnagar, Gujarat 364 005.

Phone: 0278-2519062, www.steelcast.net, info@steelcast.net.

# Notice of 52nd Annual General Meeting

NOTICE is hereby given that the 52nd Annual General Meeting (AGM) of the Members of STEELCAST LIMITED (the "Company") will be held at 1600 Hours on Thursday, 3rd August, 2023, at Efcee Sarovar Portico – Sarovar Hotels, Iscon Mega City, Opp. Victoria Park, Bhavnagar, Gujarat 364002, to transact the following business:

### Ordinary Business:

1. To receive, consider, approve and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2023 and the Report of the Board of Directors' and Auditors' thereon.
2. To confirm the payment of three Interim Dividends and one Special Dividend on Equity Shares and to declare a Final Dividend on Equity Shares for the year ended March 31, 2023.
3. To appoint a Director in place of Mrs. Vidhi S Merchant, having Director Identification Number 06689283, who retires by rotation and being eligible offers herself for re-appointment.
4. To appoint a Director in place of Mr. Rushil C Tamboli, having Director Identification Number 07807971, who retires by rotation and being eligible offers himself for re-appointment.

### Special Business:

5. **To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, (including any statutory modifications or re-enactment(s) thereof, for the time being in force), Mr. Rushil C Tamboli (DIN: 07807971), be and is hereby appointed as a Whole Time Director of the Company for a period of 5 (Five) years effective from 23.05.2023, with the terms of remuneration mentioned hereunder and also with the other terms and conditions more particularly described in the agreement to be entered into between the Company and Mr. Rushil C Tamboli, with liberty to the Board to alter the same from time to time, so long as the alterations are in conformity with the provisions of Schedule V to the Companies Act, 2013":

- i) The total remuneration to Mr. Rushil C Tamboli will be paid as salary a sum of Rs. 125,000/- per month, in the scale of Rs. 125,000-10,000-175,000.

- ii) In addition to the salary, Mr. Rushil C Tamboli will also be paid a House Rent Allowance of Rs. 29,000/- per month.
- iii) In addition to the salary, Mr. Rushil C Tamboli will also be paid a Conveyance Allowance of Rs. 11,000/- per month.
- iv) The salary and allowance as above and the benefits and perquisites as mentioned in paras (v) below will be effective from 23rd May, 2023, with future increments in salary within the specified scale falling due on 1st April each year hereafter.
- v) **Perquisites:** Perquisites and benefits will also be allowed and paid to Mr. Rushil C Tamboli, classified in two categories ( Part-A and Part-B) as follows:

#### PART-A

- i) **Leave Travel Concession:** WHOLE TIME DIRECTOR and his family, in accordance with the rules specified to other executives by the Company.
- ii) **Fees of Clubs:** Subject to a maximum of two clubs. This will not include admission and life membership fees.
- iv) **Medical Expenses Reimbursement, Mediclaim Insurance & Personal Accident Insurance:** As applicable to other Executives of the Company in accordance with the Company's rules.

Family means: Spouse, dependent children and dependent parents, if any.

#### PART-B

Contribution to the Provident Fund, will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961.

- i) **Provident Fund:** Provident Fund as applicable to other Executives of the Company.
- ii) **Gratuity:** Gratuity as applicable to other Executives of the Company.

#### PART-C

Commission as part of remuneration payable to Mr. Rushil C Tamboli will be @ 1% of the Net Profit of the Company per year for his tenor of appointment as may be decided by the Board, the said profit being computed in accordance with the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT based on the recommendation made by the Nomination and



Remuneration Committee, the Board may vary, from time to time the remuneration payable to Mr. Rushil C Tamboli, so long as it is in conformity with the provisions of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT Mr. Chetan M Tamboli, Chairman and Managing Director be and is hereby authorized to execute and sign the agreement, including any supplementary agreement as may be required at a future date, on behalf of the Company with Mr. Rushil C Tamboli, and the common seal of the Company be affixed on the said agreement in the presence of him.

**6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

“RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, a remuneration of Rs. 88,000/- (Rupees Eighty Eight Thousand only) plus Goods & Service Tax (GST) as applicable and

reimbursement of actual travel and out-of-pocket expenses, for the Financial Year commencing on 1st April, 2023 and ending on 31st March, 2024, as fixed by the Audit Committee and approved by the Board of Directors of the Company, to be paid to M/s. S K Rajani & Co., Cost Accountants (FRN: 101113), for the conduct of the Cost Audit of the Company’s Steelcastings products (CETA Heading 73259920, 73259999, 73259930 and 84879000), be and is hereby ratified and confirmed.”

By Order of the Board of Directors  
For **STEELCAST LIMITED**

**(Chetan M Tamboli)**

Place: Bhavnagar  
Date: 23rd May, 2023

Chairman & Managing Director  
DIN:00028421

**NOTES:**

1. The relevant Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013, in respect of the special business is annexed hereto.
2. A statement giving the relevant details of the Directors seeking appointment/re-appointment is annexed hereto.
3. Pursuant to the MCA General Circular No. 10/2022 dated 28th December, 2022 and SEBI CIRCULAR No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice calling AGM along with the explanatory statement and Annual Report 2022-23 are available on the website of the Company at [www.steelcast.net](http://www.steelcast.net) and on the websites of both National Stock Exchange of India Ltd. (NSE) and BSE Limited (BSE). Company’s web-link on the above will also be provided in advertisement being published in newspapers.
4. A member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote instead of himself/herself and the Proxy need not be a member of the Company. The proxy form duly completed and signed should be lodged with the Company at its Registered Office at least 48 hours before the time of the meeting.
5. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
6. Corporate Members, Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.)

(“Body Corporates”) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorisation etc., authorising its representative to attend the AGM pursuant to Section 113 of the Companies Act, 2013. They are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the AGM. The said Resolution/Authorisation shall also be sent to the Scrutiniser by e-mail on his registered e-mail address at [dgbhmani@yahoo.co.in](mailto:dgbhmani@yahoo.co.in) with a copy marked at <https://ivote.bigshareonline.com>.

7. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
8. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
9. All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the AGM and other statutory registers shall be available for inspection by the Members at the Registered Office of the Company during office hours on all working days between 10.00 a.m. to 5.00 p.m. from the date hereof up to the date of the AGM.

Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 27th July, 2023 to 3rd August, 2023 (both days inclusive) for the purpose of 52nd AGM.

10. To support the ‘Green Initiative’, Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with our RTA M/s. Bigshare Services Pvt. Ltd (BSPL), A-802 Samudra Complex, Off CG Road, Nr. Girish Cold Drinks, Navrangpura, Ahmedabad, Gujarat - 380009 in case the shares are held by them in physical form.



11. Pursuant to Section 124 & Section 125 as per Companies Act, 2013 which came in to effect on 7th September, 2016 (corresponding to the provisions of Section 205A (5) and 205C of the Companies Act, 1956), members are requested to note that, dividends if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).
12. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to [ss@steelcast.net](mailto:ss@steelcast.net) by 11:59 p.m. IST on 3rd August, 2023. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Prescribed form No. 15G/15H can be downloaded from the website of the Company.
- Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to [ss@steelcast.net](mailto:ss@steelcast.net). The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on 3rd August, 2023.
13. Members holding shares in physical form are requested to promptly notify in writing any changes in their address, contact details and bank account details to BSPL or the Company at Ruvapari Road, Bhavnagar 364 005. Members holding shares in electronic form are requested to notify the changes in the above particulars, if any, directly to their Depository Participants (DP).
14. Equity shares of the Company are under compulsory demat trading by all investors. Considering the advantage of scripless trading, members are encouraged to consider dematerialization of their shareholding so as to avoid inconvenience in future.
15. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant ('DP') and holdings should be verified from time to time.
16. In case of joint holders attending the AGM, 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 at the AGM.
17. The Route Map of the venue of the AGM is given at the end of this Notice.
18. Members 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 1st August, 2023 through email on [cs@steelcast.net](mailto:cs@steelcast.net). The same will be replied by the Company suitably.
19. Members may please note that SEBI has made PAN as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases:
- Deletion of name of the deceased shareholder(s);
  - Transmission of shares to the legal heir(s); and
  - Transposition of shares.
20. It is brought to the notice of the members that Securities & Exchange Board of India (SEBI) vide its circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated Nov 03, 2021, SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 has notified simplified norms for processing investors service request by RTA and mandatory furnishing of PAN, KYC details and Nomination by holders of physical securities. Kindly note that it has been made mandatory for shareholders holding physical shares to furnish PAN, KYC details and Nomination details to the Company or its RTA. In the event the above details are not received by September 30, 2023, concerned shares shall be frozen by RTA.
- In view of the above, all shareholders holding shares in physical form are requested to furnish/update their valid PAN (PAN linked to Aadhar) with the RTA at the earliest. Further, shareholders holding shares in Demat form are also requested to furnish/update their KYC details, Nomination details, Bank account particulars, specimen signature and contact details to/with their respective DP in case the same is not done yet.
- The prescribed forms to be furnished by the members are available on the website of the Company at [www.steelcast.net](http://www.steelcast.net)
21. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the circulars referred above, the Company is offering prior to and during the AGM remote e-voting facility to its Members in respect of all business to be transacted at the AGM.

The Company has engaged Bigshare Services Pvt. Ltd for facilitating Remote e-Voting to enable the Members to cast their votes electronically in respect of all the resolution as set out in the AGM Notice.

22. As per the SEBI circular dated 9th December 2020 on e-voting facility, e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of the Depositories / Depository Participants (DPs) in order to increase the efficiency of the voting process. Members are advised to update their mobile number and email address with their respective DPs in order to access e-voting facility. Detailed instructions for login methods of remote e-voting are provided in the AGM Notice.

|                                 |  |
|---------------------------------|--|
| Commencement of Remote e-voting | Monday, 31st July, 2023 at 9.00 a.m. IST     |
| End of Remote e-voting          | Wednesday, 2nd August, 2023 at 5.00 p.m. IST |

During this period, the Members holding shares either in physical form or in demat form, as on the cut-off date i.e. 25th July, 2023, may cast their votes electronically. The remote e-voting module will be disabled by BIGSHARE for voting after the said period. Once the votes on a resolution are cast by the Members, no change will be allowed subsequently. Only the Members who have not cast their votes through remote e-voting may cast their votes during the AGM.

**Your E-voting Information:**

| (EVSN)<br>Electronic<br>Voting Sequence<br>Number | User ID                             | Password/PIN                     |
|---|-------------------------------------|----------------------------------|
| 58  | Combination of<br>DP ID & Client ID | USE YOUR<br>EXISTING<br>PASSWORD |

23. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM but shall not be entitled to cast their vote again.

**24. INSTRUCTIONS FOR E-VOTING ARE AS FOLLOWS:**

- i. The remote e-Voting period will begin on Monday, 31st July, 2023 at 9.00 a.m. IST and will end on Wednesday, 2nd August, 2023 at 5.00 p.m. IST. During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 25th July, 2023 may cast their vote electronically. The e-Voting module shall be disabled by Bigshare for voting thereafter.
- ii. Shareholders who have already voted prior to the AGM date would not be entitled to vote at the AGM venue.
- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board

of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its shareholders in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

- iv. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.
- v. Mr. Dinesh G Bhimani of D G Bhimani & Associates, Practicing Company Secretaries, Membership No. F8064 and having his address at 207, Nathwani Chambers, Sardar Gunj, Anand-388001, Gujarat, has been appointed as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
- vi. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM. Thereafter, he shall unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than two (2) days of conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favor or against, if any, to the Chairman of the Company who shall countersign the same and declare the result of the voting forthwith.

The Results shall be declared after the receipt of the Scrutiniser's Report from conclusion of the AGM of the Company. The Results declared along with the Scrutiniser's Report shall be placed on the Company's website www.steelcast.net. The results shall also be immediately forwarded to the Stock Exchanges.

1. Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given as follows:

| Type of shareholders   | Login Method  |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL                                     | <ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The 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 visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2. After successful login the Easi / Easiest, user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link <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 able to see the e-Voting option where the e-Voting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period.</li> </ol> |
| Individual Shareholders holding securities in demat mode with NSDL                                     | <ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) 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 e-Voting service provider name BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period</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. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.   |

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. CDSL and NSDL**

| Login type   | Helpdesk details   |
|--|--|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30   |

2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on “LOGIN” button under the ‘INVESTOR LOGIN’ section to Login on e-Voting Platform.
- Please enter your ‘USER ID’ (User id description is given below) and ‘PASSWORD’ which is shared separately on you register email id.
  - o Shareholders holding shares in CDSL demat account should enter 16 Digit Beneficiary ID as user id.
  - o Shareholders holding shares in NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID as user id.
  - o Shareholders holding shares in physical form should enter Event No + Folio Number registered with the Company as user id.

Note If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).

- Click on I AM NOT A ROBOT (CAPTCHA) option and login.

NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on ‘LOGIN’ under ‘INVESTOR LOGIN’ tab and then Click on ‘Forgot your password?’
- Enter “User ID” and “Registered email ID” Click on I AM NOT A ROBOT (CAPTCHA) option and click on ‘Reset’.

(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

**Voting method for shareholders on i-Vote e-Voting portal:**

- After successful login, Bigshare e-Voting system page will appear.
- Click on “VIEW EVENT DETAILS (CURRENT)” under ‘EVENTS’ option on investor portal.
- Select event for which you desire to vote under the dropdown option.
- Click on “VOTE NOW” option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option “IN FAVOUR”, “NOT IN FAVOUR” or “ABSTAIN” and click on “SUBMIT VOTE”. A confirmation box will be displayed. Click “OK” to confirm, else “CANCEL” to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can “CHANGE PASSWORD” or “VIEW/UPDATE PROFILE” under “PROFILE” option on investor portal.

3. Custodian registration process for e-Voting on i-Vote Portal:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on “REGISTER” under “CUSTODIAN LOGIN”, to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with “User id and password will be sent via email on your registered email id”.



NOTE: If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on 'LOGIN' under 'CUSTODIAN LOGIN' tab and further Click on 'Forgot your password?'
- Enter "User ID" and "Registered email ID" Click on I AM NOT A ROBOT (CAPTCHA) option and click on 'RESET'.

(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).

#### Voting method for Custodian on i-Vote portal for e-Voting:

- After successful login, Bigshare e-Voting system page will appear.

#### Investor Mapping:

- First you need to map the investor with your user ID under "DOCUMENTS" option on custodian portal.
  - Click on "DOCUMENT TYPE" dropdown option and select document type power of attorney (POA).

- Click on upload document "CHOOSE FILE" and upload power of attorney (POA) or board resolution for respective investor and click on "UPLOAD".

Note: The power of attorney (POA) or board resolution has to be named as the "InvestorID.pdf" (Mention Demat account number as Investor ID.)

- Your investor is now mapped and you can check the file status on display.

#### Investor vote File Upload:

- To cast your vote select "VOTE FILE UPLOAD" option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on "UPLOAD". Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can "CHANGE PASSWORD" or "VIEW/UPDATE PROFILE" under "PROFILE" option on custodian portal.

#### Helpdesk for queries regarding e-Voting:

##### Login type

Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.

##### Helpdesk details

In case shareholders/ investor have any queries regarding e-Voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at <https://ivote.bigshareonline.com>, under download section or you can email us to [ivote@bigshareonline.com](mailto:ivote@bigshareonline.com) or call us at: 1800 22 54 22.

#### The instructions for Members for e-Voting on the day of the AGM are as under:-

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

By Order of the Board of Directors  
For **STEELCAST LIMITED**

(Chetan M Tamboli)

Chairman & Managing Director

DIN: 00028421

Place: Bhavnagar

Date: 23rd May, 2023

## Explanatory Statement

(Pursuant to section 102(2) of the Companies Act, 2013)

### ITEM NO. 3 OF THE NOTICE

Details of Directors seeking appointment at forthcoming Annual General Meeting:

(In pursuance of Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015)

|   |  |
|---|--|
| <b>Name of the Director</b>   | Mrs. Vidhi S Merchant (DIN: . 06689283)  |
| <b>Date of Birth</b>  | 23.11.1991   |
| <b>Nationality</b>  | Indian   |
| <b>Date of Appointment on Board</b>   | 05.11.2019   |
| <b>Qualification</b>  | Master of Arts & Master of Education (Psychology)  |
| <b>Experience</b>   | Having experience of over four years as Psychological and Career Counselor in various organizations in India and abroad. She also was Whole Time Director in the Steelcast Limited prior to her present Non-Executive Non Independent Directorship.. |
| <b>Shareholding</b>   | NIL  |
| <b>Terms and conditions of appointment along with details of remuneration</b> | -  |
| <b>Remuneration last drawn (during FY 2022-23)</b>                            | She was paid sitting fees of Rs. 90,000 for attending the meeting of Board of Directors.   |
| <b>No. of Meetings of the Board attended during the year</b>                  | Attended three Board meetings out of total four such meetings held during the Financial Year 2022-23.  |
| <b>Designated Partner/Directorship of other Firms/ Companies</b>              | NIL  |
| <b>Membership/Chairmanship of Committees of other Companies</b>               | NIL  |

Mrs. Vidhi S Merchant is daughter of Mr. Chetan M Tamboli and sister of Mr. Rushil C Tamboli

### ITEM NO. 4 OF THE NOTICE

Details of Directors seeking appointment at forthcoming Annual General Meeting:

(In pursuance of Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015)

|   |  |
|---|--|
| <b>Name of the Director</b>   | Mr. Rushil C Tamboli (DIN: 07807971)   |
| <b>Date of Birth</b>  | 14.06.1989   |
| <b>Nationality</b>  | Indian   |
| <b>Date of Appointment on Board</b>   | 02.11.2017   |
| <b>Qualification</b>  | B.E. (IE)  |
| <b>Experience</b>   | Working since August 2011 in Steelcast Limited in various capacities like 6 Sigma project for improving fuel efficiency of Heat Treatment operations, headed Heat Treatment Section and Shell Moulding Foundry. He was instrumental in developing new parts, achieving improvement in Man Hour Per Ton etc. The Board has appointed him as Whole Time Director effective from 23rd May, 2023 subject to approval by the members at this AGM. |
| <b>Shareholding</b>   | NIL  |
| <b>Terms and conditions of appointment along with details of remuneration</b> | -  |
| <b>Remuneration last drawn (during FY 2022-23)</b>                            | He was paid sitting fees of Rs. 140,000 for attending the meeting of Board of Directors.   |
| <b>No. of Meetings of the Board attended during the year</b>                  | Attended all four Board meetings held during the Financial Year 2022-23.   |
| <b>Designated Partner/Directorship of other Firms/ Companies</b>              | NIL  |
| <b>Membership/Chairmanship of Committees of other Companies</b>               | NIL  |

Mr. Rushil C Tamboli is son of Mr. Chetan M Tamboli and brother of Mrs. Vidhi S Merchant

**ITEM NO. 5 OF THE NOTICE**

Mr. Rushil C Tamboli (DIN: 07807971), son of Mr. Chetan M Tamboli, Chairman & Managing Director of the Company and brother of Mrs. Vidhi S Merchant, Non-Executive Non-Independent Director of the Company is working with the Company since August, 2011. He is Bachelor of Engineering in Industrial Engineering from Pennsylvania State University, University Park, PA.

He has been holding the position of Non-Executive Non-Independent Director since 1st April, 2022. The Board of Directors at their meeting held on 23rd May, 2023, after receiving recommendations from Nomination & Remuneration Committee (NRC), appointed Mr. Rushil C Tamboli (DIN: 07807971), as a Whole Time Director for the period of 5 (Five) years effective from 23rd May, 2023 subject to approval at this Annual General Meeting, who will be liable to retire by rotation. The NRC has recommended and the Board has appointed Mr. Rushil C Tamboli (DIN: 07807971), as a Whole Time Director to recognize his long association with the Company and contribution made to the growth of the Company and also to implement succession planning strategy in managing day to day affairs of the Company.

Approval of the members is required by way of Special Resolution for appointment and payment of remuneration to Mr. Rushil C Tamboli, as Whole Time Director for the period of 5 (Five) years effective from 23rd May, 2023.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Except Mr. Rushil C Tamboli and his relatives including Mr. Chetan M Tamboli, Chairman & Managing Director and Mrs. Vidhi S Merchant, Non-Executive Non-Independent Director of the Company, none of the other Directors or Key Managerial Persons or their relatives is in any way interested or concerned, financially or otherwise in the passing of the Resolutions set out at item no. 5 except to the extent of their shareholding in the Company, if any

Details of Directors seeking appointment at forthcoming Annual General Meeting:

(In pursuance of Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015)

|   |  |
|---|--|
| <b>Name of the Director</b>   | Mr. Rushil C Tamboli (DIN: 07807971)   |
| <b>Date of Birth</b>  | 14.06.1989   |
| <b>Nationality</b>  | Indian   |
| <b>Date of Appointment on Board</b>   | 02.11.2017   |
| <b>Qualification</b>  | B.E. (IE)  |
| <b>Experience</b>   | Working since August 2011 in Steelcast Limited in various capacities like 6 Sigma project for improving fuel efficiency of Heat Treatment operations, headed Heat Treatment Section and Shell Moulding Foundry. He was instrumental in developing new parts, achieving improvement in Man Hour Per Ton etc. The Board has appointed him as Whole Time Director effective from 23rd May, 2023 subject to approval by the members at this AGM. |
| <b>Shareholding</b>   | NIL  |
| <b>Terms and conditions of appointment along with details of remuneration</b> | -  |
| <b>Remuneration last drawn (during FY 2022-23)</b>                            | He was paid sitting fees of Rs. 140,000 for attending the meeting of Board of Directors.   |
| <b>No. of Meetings of the Board attended during the year</b>                  | Attended all four Board meetings held during the Financial Year 2022-23.   |
| <b>Designated Partner/Directorship of other Firms/ Companies</b>              | NIL  |
| <b>Membership/Chairmanship of Committees of other Companies</b>               | NIL  |

Mr. Rushil C Tamboli is son of Mr. Chetan M Tamboli and brother of Mrs. Vidhi S Merchant

**ITEM NO. 6 OF THE NOTICE**

Pursuant to provisions of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual/firm of cost accountant(s) in practice on the recommendations of the Audit Committee, which shall also recommend remuneration for such Cost Auditor. The remuneration recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of the Audit Committee at its meeting held on 22nd May, 2023, the Board has considered and approved appointment of M/s S K Rajani & Co., Cost Accountants having FRN.101113, for the conduct of the Cost Audit of the Company's Steelcastings products (CETA Heading 7325 and 8487) at a remuneration of Rs. 88,000/- plus Goods & Service Tax (GST) as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending on



March 31, 2024. The Board recommends the resolution set out at Item No. 6 of the Notice for the approval and ratification by the members in terms of Section 148 of the Companies Act, 2013, as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the passing of the Resolutions set out at Item No. 6.

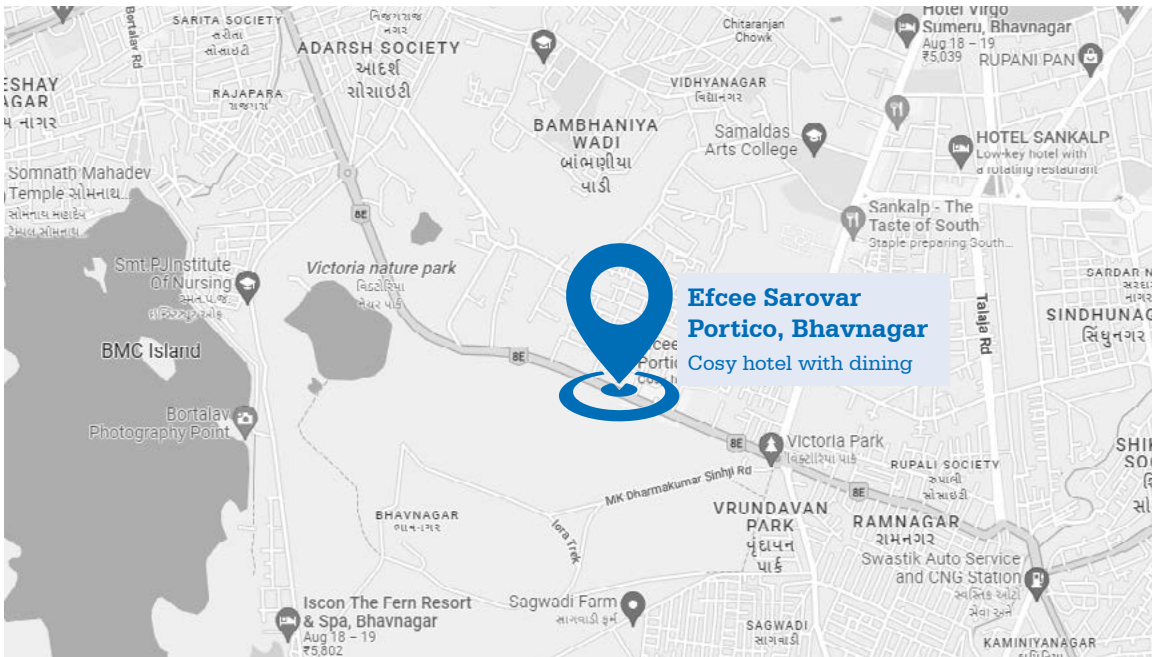
By Order of the Board of Directors  
For **STEELCAST LIMITED**

(Chetan M Tamboli)  
CHAIRMAN & MANAGING DIRECTOR  
DIN: 00028421

Place: Bhavnagar  
Date: 23rd May, 2023

### ROUTE MAP

TO THE VENUE OF 52ND AGM OF STEELCAST LIMITED TO BE HELD ON THURSDAY THE 3RD AUGUST, 2023



# BOARD'S REPORT

*Dear members*

The Directors of your Company are pleased to present the 52nd Annual Report together with the Audited Financial Statement for the Financial Year ended on March 31, 2023.

## 1. FINANCIAL RESULTS:

|         |   | (Rs. in Lakhs)   |                  |
|---------|---|------------------|------------------|
| Sr. No. | Particulars                                 | 2022-23          | 2021-22          |
| 1       | Sales                                       | 47,683.39        | 30,204.02        |
| 2       | Other Income                                | 110.34           | 30.46            |
| 3       | <b>Total Income</b>                         | <b>47,793.74</b> | <b>30,234.48</b> |
| 4       | Profit Before Depreciation & Tax (PBDT)     | 11,266.46        | 6,244.55         |
| 5       | Less: Depreciation                          | 1,814.37         | 1,771.59         |
| 6       | Profit Before Taxation (PBT)                | 9,452.09         | 4,472.96         |
| 7       | Less: Taxation (all Taxes)                  | 2,399.63         | 1,145.78         |
| 8       | Profit After Taxation (PAT)                 | 7,052.46         | 3,327.19         |
| 9       | Other comprehensive income                  | (3.28)           | (2.66)           |
| 10      | Add: Balance brought forward from last year | 6,560.46         | 3,873.49         |
| 11      | Amount Available for Appropriation          | 13,609.64        | 7,198.02         |
|         | <b>Appropriations:</b>                      |                  |                  |
|         | (a) Interim Dividend                        | 819.72           | 273.24           |
|         | (b) Special Dividend                        | 637.56           | -                |
|         | (c) Proposed Final Dividend                 | 546.48           | 364.32           |
|         | (d) General Reserve                         | -                | -                |
|         | (e) Balance to be carried forward           | 11,605.88        | 6,560.46         |

## 2. STATE OF COMPANY'S AFFAIRS:

The Company has earned revenue from operation of Rs. 47,683.39 Lakhs during the year ended on March 31, 2023 as against Rs. 30,204.02 Lakhs earned during the previous year ended on March 31, 2022, giving a substantial rise of more than 57% as compared to previous year. The Company has also earned other income of Rs. 110.34 Lakhs during the year under review as against Rs. 30.46 Lakhs earned during the previous year.

The Company earned Profit Before Tax (PBT) of 19.82 % of sales during the year ended on March 31, 2023 against 14.81 % of previous year ended on March 31, 2022.

The Company earned Profit After Tax (PAT) of 14.79% of sales during the year ended on March, 31, 2023 against 11.00 % of previous year ended on March 31, 2022.

After adding the surplus in the Statement of Profit & Loss of Rs. 7,198.02 Lakhs brought forward from the previous year and payment of approved Dividends during the year therefrom, and further adding total profit of Rs. 7,049.18 Lakhs for the year under review to

the same, the total amount of Rs. 12,152.36 Lakhs profit is available for appropriation.

There are no material changes and commitment occurred during the period which affects the financial position of the company.

Further, there is no change in the nature of business of the company.

## 3. DIVIDEND:

The Company has paid three quarter wise dividends totaling to 81% during the year under review. Further, the Board of Directors of your Company are pleased to recommend a final dividend @ 54% (i.e. Rs. 2.70 per share) on full paid up equity shares of Rs. 5/- each for the financial year ended March 31, 2023, subject to approval of the shareholders at the ensuring Annual General Meeting (AGM). The total Dividend during the Financial Year 2022-23 would be 135%.

We are pleased to inform the members that your Company has completed 63 years since its inception and 50 years since its conversion into a Private Company. To celebrate these significant milestones, the Board has declared a one time Special Celebratory

Dividend @ Rs. 3.15 per equity share of Rs. 5 each i.e. 63%.

Transfer to reserves: The closing balance of the retained earnings of the Company for F.Y. 2022-23, after all appropriation and adjustments was Rs. 11,605.88 Lakhs.

#### 4. COMMISSIONING OF COMPANY'S SOLAR POWER PLANT FOR CAPTIVE CONSUMPTION:

During the year under review, the Company has commissioned its 5 (Five) MW Solar Power Plant located at Village: Ratanpar, Taluka: Umrala, District: Bhavnagar (Gujarat) for captive use effective from 30th March, 2023. The members may note that the commissioning of this 5 (Five) MW Solar Power Plant will lead the Company in the direction of being self-reliant in power and reducing the carbon footprint, apart from saving in Power cost.

#### 5. 4.5 MW HYBRID POWER PLANT:

The Company has invested in Hybrid (Wind & Solar) Power Plant for 4.5 MW under group captive mode with AMP Energy Green Nine Private Limited during the year. The plant is ready to be commissioned in the first quarter of the FY 2023-24. This will further lead the Company in the direction of being self-reliant in power and reducing the carbon footprint, apart from saving in Power cost.

#### 6. UPWARD REVISION IN RATING BY CARE RATINGS LIMITED (CARE):

During the year under review, the CARE has upgraded our rating from CARE BBB+; Positive/ CARE A2 to CARE A-; Stable/ CARE A2+ for Long Term / Short Term Bank Facilities. However, the Company has become long-term debt free since last year and it has no plan to take any term loan in foreseeable future and future projects will be financed out of internal accruals only.

#### 7. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EARNINGS AND OUTGO:

The Information relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed to this Report as an **Annexure-A** and forming part of this Report.

#### 7. SEGMENT REPORTING:

The Company is engaged in the Castings business only and therefore there is only one reportable segment in accordance with the Indian Accounting Standard (Ind AS) 108 Operating segments.

#### 8. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

There is no company or Institution which became or ceased to be Subsidiary, Joint venture or Associate Company during the reporting period.

#### 9. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Company has formulated Policy on CSR in accordance with Schedule VII of the Companies Act, 2013 and the details of the composition of the Committee are covered in the Corporate Governance Report. Your Company spent in excess of the obligation Rs 50.53 Lakhs as per the CSR Rules towards CSR activities during the year. Report on CSR activities is annexed hereto as **Annexure-B** and forms part of this Report. The Board has approved Policy on CSR which has been uploaded on the Company's website at <https://steelcast.net/pdf/csr.pdf>.

#### 10. QUALITY:

Your Company has continued emphasis on Research & Development. A dedicated Quality Assurance ("QA") team is monitoring product quality. Your Company strives to be industry leader by adopting modern technology.

#### 11. INSURANCE:

All assets of the Company, including Building, Plant & Machinery, Stocks etc., wherever necessary and to the extent required, have been adequately insured.

#### 12. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

##### 12.1 CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the period of this report, there have been following changes in the Directors And Key Managerial Personnel:

- a) The term of appointment of Mr. Rajendra V Gandhi (DIN: 00189197) as an Independent Director of the Company has expired effective from closing of business hours of 30th September, 2022 upon completion of his tenure as an Independent Director as approved by the shareholders at their meeting held on August 07, 2019. The Board appreciates the valuable services rendered and guidance provided by Mr. Rajendra V Gandhi during his tenure and wishes him to keep up the good work for many years to come.
- b) Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Rules made thereunder, Mrs. Vidhi S Merchant and Mr. Rushil C Tamboli, shall retire by rotation at this Annual General Meeting and being eligible offer themselves for reappointment.



The Members are requested to consider their re-appointments.

- c) Further, the Board of Directors at their meeting held on 23rd January, 2023 appointed and members at their Extraordinary General Meeting (EGM) held on 23rd March, 2023 have ratified the appointment of:
- i) Mr. Harsh R Gandhi, having Director Identification Number 00133091 as an Independent Director for a period of Five (5) years with effect from 23.01.2023.
  - ii) Mr. Rajiv D Gandhi, having Director Identification Number 00438037 as an Independent Director for a period of Five (5) years with effect from 23.01.2023.
  - iii) Mr. Ashutosh H Shukla, having Director Identification Number 02544350 as an Executive Director, liable to retire by rotation, for a period of Five (5) years with effect from 23.01.2023.
  - iv) Mr. Subhash R Sharma, having Director Identification Number 07871467 as an Executive Director, liable to retire by rotation, for a period of Five (5) years with effect from 23.01.2023.
- d) Further, the Board of Directors has, subject to the approval of the members at the ensuing AGM, appointed Mr. Rushil C Tamboli, having Director Identification Number 07807971 as a Whole Time Director, liable to retire by rotation, for a period of Five (5) years with effect from 23.05.2023.

## 12.2 COMPLIANCE ON CRITERIA OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS:

All Independent Directors of the Company have given declarations to the Company under Section 149 (7) of the Act that they meet the criteria of independence as provided in Sub-Section 6 of Section 149 of the Act and also under the Listing Regulations.

## 12.3 FORMAL ANNUAL EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Act and the Listing Regulations.

Further, the Independent Directors, at their exclusive meeting held 23rd January, 2023 during the year reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the Listing Regulations.

## 12.4 NOMINATION AND REMUNERATION POLICY:

The Company has an approved Nomination & Remuneration policy the details of which

are covered under Corporate Governance Report and the said policy is also available on company's website at <https://steelcast.net/pdf/nominaation-remuneration.pdf>

## 12.5 DIVIDEND DISTRIBUTION POLICY:

Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires the top 1000 listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a Dividend Distribution Policy which shall be disclosed on the website of the listed entity and a web-link shall also be provided in their annual reports.

Our Company has been included in the list of top 1000 listed entities based on market capitalization as on 31.03.2023. Hence, we have formulated this policy and hosted the same on our website at the following link:

[https://steelcast.net/pdf/SL\\_Dividend\\_Distribution\\_Policy\\_For\\_Website.pdf](https://steelcast.net/pdf/SL_Dividend_Distribution_Policy_For_Website.pdf)

## 12.6 MEETINGS:

During the year 4 Board Meetings and 4 Audit Committee Meetings were held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## 12.7 FORMAL UPDATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company conducts familiarization and updation programs for independent directors on need basis. The said programs are conducted by knowledgeable persons from time to time.

## 12.8 COMMITTEES OF THE DIRECTORS:

The details of various committees of Directors constituted under various provisions of Companies Act, 2013 and Rules made thereunder, their constitution, terms of reference and other details are provided in the Corporate Governance Report.

Compositions of Board of Directors and various Committees of Directors are available on the Company's website at <https://steelcast.net/board-directors.html>

## 13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

## 14. RELATED PARTY TRANSACTIONS:

All the contracts or arrangements or transactions were at arm's length basis. Transactions with related parties, as per requirements of Accounting Standard 18

are disclosed in the notes to accounts annexed to the financial statements.

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure-C** in the prescribed Form – AOC-2 and the same forms part of this report. All related party transactions or any omnibus approval as permitted under the law as required are placed before the Audit Committee and Board of the Company for review and approval. Transactions with related parties, as per requirements of Indian Accounting Standard (Ind AS) 24 are disclosed in the notes to accounts annexed to the Financial Statements. Your Company's duly approved Policy on Related Party Transactions is available on the Company's website at <https://steelcast.net/pdf/related-party-transaction.pdf>

#### 15. PARTICULARS OF EMPLOYEES:

The Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed with this report as **Annexure-D**.

The Statement of particulars of employees under Section 197(12) read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is not provided herewith as during the financial year under review, no employee of the Company including Managing Director was in receipt of remuneration in excess of the limits set out in the said rules.

#### 16. HUMAN RESOURCES:

Your Company believes that employees are one of its most valuable assets. During the year under review, the Company organized various training programs for people at various levels to enhance their knowledge and skills. As on 31st March, 2023, total employees strength at STEELCAST is 905 under direct employment. The employees are deeply committed to the growth of the Company.

#### 17. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Company has formulated a Whistleblower Policy in conformity with the provisions of Section 177(9) of the Companies Act, 2013 and Listing Regulations to provide a mechanism for any concerned person of the company to approach the Ethics Counselor/ Chairman of the Audit Committee of the Company for the purpose of dealing with any instance of fraud or mismanagement, and also ensure that whistleblowers are protected from retribution, whether from within or outside the organization. The details of the Whistle Blower Policy are given in the Corporate Governance Report and also available on the Company's website at <https://steelcast.net/pdf/whistle-blower-policy.pdf>

#### 18. EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of section 92(3) of the Companies Act, 2013, an extract of annual return is annexed hereto as **Annexure-E** and forms part of this report. The same is available on the Company's website at [https://steelcast.net/pdf/EGM/Extract\\_of\\_Annual\\_Report\\_2023.pdf](https://steelcast.net/pdf/EGM/Extract_of_Annual_Report_2023.pdf)

#### 19. SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. D.G. Bhimani & Associates, Company Secretary, (CP: 6628) Anand, Gujarat have been appointed as the Secretarial Auditor to conduct the Secretarial Audit of the Company for the Financial Year 2022-23. The Secretarial Audit Report for the Financial Year 2022-23 is annexed herewith as **Annexure-F** and forms part of this report.

The observations made in the Auditor's Report are self-explanatory and, therefore, do not call for any further comments under Section 134(3) (f) of the Companies Act, 2013.

#### 20. CORPORATE GOVERNANCE REPORT AND CERTIFICATE:

Your Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by SEBI. As required under Regulation 34(3) read with Schedule V (C) of the Listing Regulations, a Corporate Governance report and the certificate as required under Schedule V (E) of the Listing Regulations from Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance are given in **Annexure-G** and **Annexure-H** respectively, forming part of this report.

#### 21. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year under review, as stipulated under Listing Regulation, is annexed herewith as **Annexure-I** and forms part of this report.

#### 22. COST AUDITORS:

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, have appointed M/s. S K Rajani & Co. Cost Accountants, Bhavnagar as Cost Auditor of the Company, for the Financial Year 2023-24 on a remuneration as mentioned in the Notice of AGM for conducting the audit of the cost records maintained by the Company.

A Certificate from M/s. S K Rajani & Co. Cost Accountants has been received to the effect that their appointment as Cost Auditor of the Company, if made,



would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder. A resolution seeking Member's ratification for the remuneration payable to Cost Auditor forms part of the Notice of the Annual General Meeting of the Company and same is recommended for your consideration and approval.

The Cost Audit report for the financial year ended March 31, 2022 were filed on 20th August, 2022, which was within the time limit as prescribed in Companies (Cost Records and Audit) Rules, 2014 as amended.

### 23. STATUTORY AUDITORS:

M/s. SSM & Co., Chartered Accountants, Statutory Auditors of the Company, having firm registration number 129198W, were appointed as Statutory Auditors at AGM pertaining to the FY 2019-20, held on 14th August, 2020 for five consecutive years starting 2020-21 to 2024-25. As required under Listing Regulation, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The appointment of Statutory Auditors was made for five consecutive years until the conclusion of 5th Annual General Meeting to be held for the financial year 2024-25.

M/s. S. S. M & Co, Chartered Accountants, having Firm Registration Number 129198W have given consent to act as Statutory Auditors of the Company confirming that their appointment, if made, would be in accordance with the provision of section 139 and 140 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 and Listing Regulation,

The observations made in the Auditor's Report are self-explanatory and, therefore, do not call for any further comments under Section 134(3) (f) of the Companies Act, 2013.

### 24. INTERNAL FINANCIAL CONTROLS:

The Company has adequate internal financial controls in place with reference to financial statements. The Company has adopted an Internal Financial Control Framework Policy and Procedure document to ensure orderly and efficient conduct of the business, accuracy and completeness of the accounting records and timely preparation of financial reports. The policy & procedure framework is supported by an ERP system. The ERP system used by the company developed in-house is conforming to Accounting Standards and Financial Control Requirements. The ERP system of the company is updated as and when changes are necessary.

### 25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY ANY REGULATOR OR COURT:

There were no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations, during the year under review.

### 26. CHANGE IN THE NATURE OF BUSINESS:

During the year under review, there was no change in the nature of business of the Company and there is no material change and/or commitments, affecting the financial position of the Company, during the period from 31st March, 2023 till the date of this report.

### 27. DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) and 134 (5) of the Companies Act, 2013, that:

- a. in the preparation of the annual financial statements for the year ended March 31, 2023, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if applicable;
- b. for the Financial Year ended March 31, 2023, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit and Loss of the Company for that period;
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Annual Financial Statements have been prepared on a going concern basis;
- e. proper internal financial controls are in place and such internal financial controls are adequate and were operating effectively;
- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and are adequate and operating effectively.

### 28. RISK MANAGEMENT:

The Company has been addressing various risks impacting the Company and details of the same are provided elsewhere in this Annual Report in Management Discussion and Analysis. The Company has framed risk management policy and the same has been approved by the Audit Committee and the Board of Directors and is available on the Company website [https://steelcast.net/pdf/Final\\_RMP\\_16\\_3\\_2022.pdf](https://steelcast.net/pdf/Final_RMP_16_3_2022.pdf)

### 29. SEXUAL HARASSMENT POLICY:

Your Company has zero tolerance towards sexual harassment at the workplace and has adopted a Policy on Sexual Harassment in line with the provisions of

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The said policy can be accessed on the Company's website at <https://steelcast.net/pdf/sexual-harassment-policy.pdf>

### **30. MATERIAL CHANGES AND COMMITMENTS IF ANY:**

There are no material changes or commitments which have occurred between the end of the financial year and the date of this report which affect the financial position of the Company.

### **31. DEPOSITS:**

The Company has not accepted/renewed any deposits during the year.

### **32. COMPLIANCE OF SECRETARIAL STANDARD:**

Your Company has complied with all Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and approved by Central Government from time to time.

### **33. AUDIT COMMITTEE:**

Composition of Audit Committee and details of number of audit committee meetings held during the financial

year 2022-23 are enclosed herewith at **Annexure-G** under Corporate Governance Report. The Board has accepted all the recommendations and suggestions received from Audit committee.

### **34. ACKNOWLEDGEMENTS:**

Your Directors take this opportunity to express their sincere appreciation for the excellent support and co-operation extended by the shareholders, customers, suppliers, bankers and other business associates. Your Directors gratefully acknowledge the on-going co-operation and support provided by the Central and State governments and all Regulatory Authorities. Your Directors also place on record their deep sense of appreciation to all employees for their dedicated services rendered at various levels.

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

(Chetan M Tamboli)

Chairman & Managing Director

DIN: 00028421

Place: Bhavnagar

Date: 23rd May, 2023

**ANNEXURE-A TO THE BOARD'S REPORT:****Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014,****(A) ENERGY CONSERVATION****(i) The steps taken or impact on conservation of energy:**

- Installation of 8 numbers energy efficient Austenitizing and Tempering Heat treatment furnace
- Installation of 1 number Energy efficient Continuous mixer with dust collector system.
- Energy efficient Chiller and recuperator used in thermal reclamation plant minimized total running hrs. and increased output of thermal plant

**(ii) The steps taken by company for utilizing alternate sources of energy:**

- 5 MW solar plant for an alternate power source yearly 8,030,000 KWh production commissioned..
- Another 4.5 MW hybrid (Solar + wind) will be commissioned in coming year having generation of 22,000,000 unit per year.

**(iii) The capital investment on energy conservation equipment:**

The Company has made capital investments amounting to Rs.874.70 Lakhs during financial year 2022-23 on the energy conservation equipments.

| Sr. No.      | Description of Equipment   | Investment (Rs. Lakhs) |
|--------------|--|------------------------|
| 1            | Energy Efficient Bogie Hearth for Austenitizing & Tempering Heat Treatment Furnace | 800.00                 |
| 2            | Energy Efficient, Rotary Screw type Air Compressor                                 | 19.70                  |
| 3            | Energy Efficient Continuous Mixer with Dust Collector System                       | 42.50                  |
| 4            | Add on investment for Energy efficient Dual Track Induction Furnace 1Ton           | 6.00                   |
| 5            | Other add-on Investment on Resin coated plant                                      | 6.50                   |
| <b>Total</b> |  | <b>874.70</b>          |

**(B) TECHNOLOGY ABSORPTION****Research and Development (R & D)**

## 1) The efforts made towards technology absorption:

- Use of proprietary desulphuriser to make ultra-low Sulphur grade low alloy steel.
- Study of Compatibility of Sillimanite sand with PUNB process.

- Feasibility to use Calcium Moly Briquettes as a substitute for Ferro moly or moly oxide
- Investigation of refractoriness of Bauxite base high. Alumina ceramic sand to substitute Chromite sand.
- To Study feasibility of re-use of burnt sand to minimize sand disposal.
- To develop Heat treatment simulation skill to predict mechanical properties in heavy section casting.
- Development of high performance coating to prevent metal mould reaction and sand fusion in heavy section casting.
- Development of high alumina thin wall ceramic component to enhance product quality.
- Development of High strength low gas resin coated sand to minimize inclusion and gas related defect in critical castings.
- Uses of Enrich Carbon % Electrode for cosmetic weld-repair followed by Quench tempered to meet after Laser/Induction hardening –Hardness > 40HRC in weld area.
- To develop in house Ferro alloy checking facility to comply incoming material quality standard.
- Development of high strength welds alloy and technique for austenitic Manganese steel.
- Development of thermal insulation coating in heat treatment furnace for energy conservation.

## 2) The benefits derived like product improvement, cost reduction, product development or import substitution:

The company has in place well developed program of Continuous Improvement Plan (CIP). We have systematic and well-structured system of Continuous Improvement Plan for cost reduction in areas like, product, process, material and other area without affecting quality of product.

- Product Development: During the year as a part of product development, cost reduction has been done in areas of yield improvement, reduction in sand to metal ratio and chemistry optimization.
- Process Development: During the year as a part of process development, cost reduction has been done in areas such as binder reduction, optimization of heat treatment cycle, machining cycle time.
- Materials Development: During the year as a part of material development, cost reduction has been done in areas like, alternate material of import



substitution, replacement of special sand and alternate source etc.

- d) Continuous Improvement in area other than manufacturing like, commercial, administrative area and waste reduction etc.

Benefits derived as a result of the above efforts have resulted in a saving of Rs.121.58 lakhs during the year 2022-23.

| Sr. No.      | Description   | Cost Savings (Rs. Lakhs) |
|--------------|---|--------------------------|
| 1            | Product Development                                     | 32.95                    |
| 2            | Process Development                                     | 10.37                    |
| 3            | Materials Development                                   | 71.12                    |
| 4            | Continuous Improvement in area other than manufacturing | 7.14                     |
| <b>Total</b> |   | <b>121.58</b>            |

- 3) In case of imported technology (Imported during the last 3 years reckoned from the beginning of the year)

|    |   |                  |
|----|---|------------------|
| a) | The details of technology imported  | : Nil            |
| b) | The Year of import  | : Not Applicable |
| c) | Whether technology is fully absorbed  | : Not Applicable |
| d) | If not fully absorbed, areas where absorption has not taken place, reason thereof | : Not applicable |

- 4) The expenditure incurred on Research and Development (Rs. Lakhs)

|    |  |              |
|----|--|--------------|
| a) | Capital  | : Rs. 25.77  |
| b) | Recurring  | : Rs. 296.19 |
| c) | Total  | : Rs. 321.96 |
| d) | Total R & D expenditure as a percentage of total turnovers | : 0.67 %.    |

## (C) FOREIGN EXCHANGE EARNINGS & OUTGO

| Total Foreign Exchange Used/ Earned |                                     | (INR Lakhs) |
|-------------------------------------|-------------------------------------|-------------|
| <b>1</b>                            | <b>Foreign Exchange Outgo</b>       | 1,848.76    |
|                                     | <b>a. Value of Imports</b>          |             |
|                                     | i. Capital Goods                    | 362.71      |
|                                     | ii. Raw Materials                   | 943.58      |
|                                     | iii. Spare Parts                    | 14.00       |
|                                     | <b>b. Expenditure:</b>              |             |
|                                     | i. Professional and Consultancy Fee | 64.27       |
|                                     | ii. Commission Expenses             | 433.22      |
|                                     | III. Other Service Payments         | 12.45       |
|                                     | <b>c. Others</b>                    |             |
|                                     | i. Dividend                         | 18.53       |
| <b>2</b>                            | <b>Foreign Exchange Earned</b>      |             |
|                                     | i. Export of Goods & Services       | 27,803.31   |

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

(Chetan M Tamboli)

Chairman & Managing Director

DIN: 00028421

Place: Bhavnagar

Date: 23rd May, 2023

**ANNEXURE-B TO THE BOARD'S REPORT:**

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

**1. Brief outline on CSR Policy of the Company:**

Company is contributing towards promoting quality of education, health, improvement in living standard and upliftment of communities comprising weaker section in nearby areas.

**2. The Composition of the CSR Committee:**

| Name of the Director   | Category                               | Position in the Committee |
|------------------------|--|---------------------------|
| Mrs. Aarushi M Ganatra | Independent Director                   | Chairman                  |
| Mrs. Vidhi S Merchant  | Non-Executive Non-Independent Director | Member                    |
| Mr. Chetan M Tamboli   | Executive Director                     | Member                    |

3. The web-link where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: The Company has framed a CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013 and the same is placed on the website of the Company and the web links for the same are as under:

- CSR Committee:  
<https://steelcast.net/board-directors.html>
- CSR Policy: <https://steelcast.net/pdf/csr.pdf>
- CSR projects approved by the Board:  
[https://steelcast.net/pdf/CSR\\_Statement.pdf](https://steelcast.net/pdf/CSR_Statement.pdf)

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable : Not Applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

| Sr. No. | Financial Year | Amount available for set-off from preceding financial years | Amount available for set-off for the financial year, if any |
|---------|----------------|---|---|
| 1       | 2022-2023      | Not applicable  | Not applicable  |

6. Average net profit of the Company as per Section 135(5): **Rs. 2,526.39 Lakhs**

| Particulars | Rs.in Lakhs |          |          |
|-------------|-------------|----------|----------|
|             | 2019-20     | 2020-21  | 2021-22  |
| Net Profit  | 1,620.52    | 1,520.54 | 4,438.10 |

7. (a) Two percent of average net profit of the Company as per section 135(5):- **Rs. 50.53 Lakhs**
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**
- (c) Amount required to be set off for the financial year, if any: **NIL**
- (d) Total CSR obligation for the financial year (7a+7b-7c): **Rs. 50.53 Lakhs**

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

| Total Amount Spent for the Financial Year (Rs. In Lakhs) | Amount Unspent (In Rs.)   |                  |   |        |                  |
|--|---|------------------|---|--------|------------------|
|  | Total Amount transferred to Unspent CSR Account as per section 135(6) |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) |        |                  |
|  | Amount  | Date of Transfer | Name of the Fund  | Amount | Date of transfer |
| 53.12  | NA  | NA               | NA  | NA     | NA               |

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

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

| 1            | 2  | 3   | 4                    | 5                       |           | 6                                     | 7                                       | 8   |                         |
|--------------|--|---|----------------------|-------------------------|-----------|---------------------------------------|---|---|-------------------------|
| Sr. No       | Name of the Project  | Item from the list of activities in schedule VII to the Act     | Local Area (Yes/ No) | Location of the Project |           | Amount Spent for the Project (In Rs.) | Mode of Implementation Direct (Yes/ No) | Mode of Implementation through Implementing agency                |                         |
|              |  |   |                      | State                   | District  |                                       |   | Name  | CSR Registration Number |
| 1            | Donation to Sneha Foundation   | Promoting Health, Education and Environment                     | Yes                  | Gujarat                 | Bhavnagar | 611,000                               | No                                      | Sneha Foundation  | CSR00005363             |
| 2            | Donation to Rotary Club (Society) of Bhavnagar                             | Promoting Health  | Yes                  | Gujarat                 | Bhavnagar | 250,000                               | No                                      | Rotary Club (Society) of Bhavnagar                                | CSR00006976             |
| 3            | Donation to Shri Pandit Ratanchandrajai Jain Kanyashala Trust              | Promoting Education   | No                   | Maharashtra             | Mumbai    | 50,000                                | No                                      | Shri Pandit Ratanchandrajai Jain Kanyashala Trust                 | CSR00005094             |
| 4            | Donation to Steelcast Education Trust                                      | Promoting In House Skill Development                            | Yes                  | Gujarat                 | Bhavnagar | 2,000,000                             | No                                      | Steelcast Education Trust   | CSR00007321             |
| 5            | Donation for Har Ghar Tiranga Project                                      | Promoting awareness on Unity                                    | Yes                  | Gujarat                 | Bhavnagar | 47,890                                | Yes                                     | -   | -                       |
| 6            | Donation to Shree Prathna Health and Education Trust                       | Promoting Health & Education                                    | Yes                  | Gujarat                 | Bhavnagar | 855,500                               | No                                      | Shree Prathna Health and Education Trust                          | CSR00010354             |
| 7            | Donation to Shree Shasansamrat A. B. Shri Vijay Nemisurishvarji Foundation | Promoting Health, Education & standard of living of poor people | Yes                  | Gujarat                 | Bhavnagar | 750,000                               | No                                      | Shree Shasansamrat A. B. Shri Vijay Nemisurishvarji Foundation    | CSR00009565             |
| 8            | Donation to Sir Prabhshankar Pattani Open Window Charitable Trust          | For promoting Cultural event                                    | Yes                  | Gujarat                 | Bhavnagar | 75,000                                | No                                      | Donation to Sir Prabhshankar Pattani Open Window Charitable Trust | CSR00028243             |
| 9            | Donation to Smt. R D Gardi Bhavnagar Stree Kelavani Mandal                 | Promoting Women Empowerment                                     | Yes                  | Gujarat                 | Bhavnagar | 425,000                               | No                                      | Smt. R D Gardi Bhavnagar Stree Kelavani Mandal                    | CSR00001457             |
| 10           | Donation for renovation of Cremation Ground at Village: Ratanpur           | Promoting Environmental and Ecological balance                  | Yes                  | Gujarat                 | Bhavnagar | 247,500                               | Yes                                     | -   | -                       |
| <b>Total</b> |  |   |                      |                         |           | <b>5,311,890</b>                      |   |   |                         |

**Note:** In addition to above, the Company had also donated amount to the extent of INR 4.00 lakhs during FY 2022-23 for the purpose of upliftment of women and other social causes. However, those donations were not qualified to be considered as CSR spending as per the requirement of section 135 of the Companies Act, 2013. Accordingly those donations are not included in above table.

(d) Amount spent in Administrative Overheads: **Not Applicable**

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 53.12 Lakhs**

(g) Excess amount for set off, if any: **Rs. 2.59 Lakhs**

| Sr. No. | Particulars  | Amount (Rs.in Lakhs) |
|---------|--|----------------------|
| (i)     | Two percent of average net profit of the company as per Section 135(5)                                   | 50.53                |
| (ii)    | Total amount spent for the financial year  | 53.12                |
| (iii)   | Excess amount spent for the financial year[(ii)-(i)]   | 2.59                 |
| (iv)    | Surplus arising out of the CSR projects or programs or activities of the previous financial year, if any | NIL                  |
| (v)     | Amount available for set off in succeeding financial years [(iii)-(iv)]                                  | 2.59                 |

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

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial years(s):  
**Not Applicable**

10. In case of creation or acquisition of capital assets, furnish the details relating to the assets so created or acquired through CSR spent in the financial year: **Not Applicable**

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

## 12. Related Party Transactions (RPT):

| Details of related party transaction in relation to CSR expenditure | Amount, (Rs. In Lakhs) |
|---|------------------------|
| Steelcast Education Trust   | 20.00                  |

For **STEELCAST LIMITED**

(Chetan M Tamboli)  
Member of CSR Committee  
DIN: 00028421

Place: Bhavnagar  
Date: 23rd May, 2023

For **STEELCAST LIMITED**

(Aarushi M Ganatra)  
Chairman of CSR Committee  
DIN: 01527566

**ANNEXURE-C TO THE BOARD'S REPORT:**

**Form No. AOC – 1**

(Pursuant to clause (h) of sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Not Applicable as Company neither have any Subsidiary Company nor have any Associate Company**

**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**

| Sr. No | Particulars   | Details  |
|--------|---|--|
| (a)    | Name(s) of the related party and nature of relationship   | All the contracts or arrangements or transactions were at arm's length basis. Transactions with related parties, as per requirements of Accounting Standard 18 are disclosed in the notes to accounts annexed to the financial statements. |
| (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(s) 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 arrangement or transactions at arm's length**

| Sr. No | Particulars   | Details   |
|--------|---|---|
| (a)    | Name(s) of the related party  | There were no material contracts or arrangement or transactions. Transactions with related parties, as per requirements of Accounting Standard 18 are disclosed in the notes to accounts annexed to the financial statements. |
| (b)    | Nature of relationship  |   |
| (c)    | Nature of contracts/arrangements/ transactions  |   |
| (d)    | Duration of the contracts / arrangements/transactions                                       |   |
| (e)    | Salient terms of the contracts or arrangements or transactions including the value, if any: |   |
| (f)    | Date(s) of approval by the Board, if any  |   |
| (g)    | Amount paid as advances, if any:  |   |

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

**(Chetan M Tamboli)**  
Chairman & Managing Director  
DIN: 00028421

Place: Bhavnagar  
Date: 23rd May, 2023

**ANNEXURE-D TO THE BOARD'S REPORT:**

## PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:**

| Name of the Managing Directors, Chief Financial Officer and Company Secretary | Ratio to median remuneration of the employees | % increase in remuneration in the financial year | Comparison of the Remuneration of the KMP against the performance of the Company.  |
|---|---|--|--|
| Mr. Chetan M Tamboli<br>(Chairman and Managing Director)                      | 1:16.82                                       | 5.37%  | <b>% Increase from FY 2021-22 to FY 2022-23:</b><br>Total Income:58.13%<br>Profit After Tax : 111.96 %<br>Remuneration of Employees: 9.95%.<br>The remuneration of the KMP is keeping in view the performance of the Company as aforesaid and trend of remuneration in industry. |
| Mr. Ashutosh H Shukla<br>(Executive Director- Operations)                     | 1:9.86  | 15.00%   |  |
| Mr. Subhash R Sharma<br>(Executive Director & Chief Financial Officer)        | 1:10.24                                       | 15.00%   |  |
| Mr. Umesh Bhatt<br>(Company Secretary)  | 1:3.10  | 12.00%   |  |

The Company does not pay any remuneration to the Non-Executive Directors except sitting fees for attending Board and Committee Meetings.

- b. The percentage increase in the median remuneration of employees in the financial year: 9.95%.**
- c. The number of permanent employees on the rolls of Company: 905.**
- d. average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

During the year under review, the average annual increase was around 9.95% accounting for promotions and other event based compensation revisions. Increase in the managerial remuneration (excluding Chairman and Managing Director and Whole Time Director) for the year was 3.43%. The difference arises from the different market situations for two categories.

The key parameters for any variable component of remuneration in case of Managing Director of the Company is linked with the Company performance. In case of other key managerial personnel(s), the same is linked with Company performance and individual performance.

- e. Affirmation that the remuneration is as per the remuneration policy of the Company:**  
The Company affirms that the remuneration of Key Managerial Personnel and other employees of the Company is as per the remuneration policy of the Company
- f. The Statement of particulars of top ten employees who have drawn remuneration in the aggregate not less than One Crore Two Lakhs if employed throughout the Financial Year or Rupees Eight Lakh Fifty Thousand Per month if employed for a part of the Financial Year under Section 197(12) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014:** This subject statement is not provided as during the financial year under review, no employee of the Company was in receipt of remuneration in excess of the limits set out in the said rules.
- g. The Statement of particulars of employees under Section 197(12) read with Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014:** This subject statement is not provided as Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is not applicable.

For and on behalf of the Board of Directors

**(Chetan M Tamboli)**  
 Chairman & Managing Director  
 DIN: 00028421

Place: Bhavnagar  
Date: 23rd May, 2023

ANNEXURE-E TO THE BOARD'S REPORT:

## FORM NO. MGT - 9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2023

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

### I. REGISTRATION AND OTHER DETAILS:

|     |   |  |
|-----|---|--|
| i   | CIN:  | L27310GJ1972PLC002033  |
| ii  | Registration Date   | February 11, 1972  |
| iii | Name of the Company   | STEECAST LIMITED   |
| iv  | Category / Sub-Category of the Company                                    | Public Limited listed Company having Share Capital   |
| v   | Address of the Registered office and contact details                      | Ruvapari Road,<br>Bhavnagar 364 005.<br>Ph. No.: (91) (278) 2519062<br>Fax No.: (91) (278) 2420589<br>E-mail.: cs@steelcast.net<br>Website.: www.steelcast.net   |
| vi  | Whether listed company Yes / No   | Yes  |
| vii | Name, Address and Contact details of Registrar and Transfer Agent, if any | M/s Bigshare Services Pvt. Ltd.<br>A-802, Samudra Complex, Off CG Road, Navrangpura,<br>Ahmedabad, Gujarat - 380009<br>Ph. No.: 079-40392571<br>Fax No.: 079-30070678<br>E- Email: bssahd@bigshareonline.com |

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

| Sr. No. | Name and Description of main products/services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1       | Steelcasting                                   | 273                              | 100                                |

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

| Sr. No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary / Associate | % of shares held | Applicable Section |
|---------|---------------------------------|---------|---------------------------------|------------------|--------------------|
| 1       | NA                              | NA      | NA                              | NA               | NA                 |

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

#### i) Category-wise Share Holding:

| Category of Shareholder   | No. of Shares held at the beginning of the year<br>[01.04.2022] |          |                  |                   | No. of Shares held at the end of the year<br>[31.03.2023] |          |                  |                   | % Change during the year |
|---------------------------|---|----------|------------------|-------------------|---|----------|------------------|-------------------|--------------------------|
|                           | Demat   | Physical | Total            | % of Total Shares | Demat   | Physical | Total            | % of Total Shares |                          |
| <b>A. Promoters</b>       |   |          |                  |                   |   |          |                  |                   |                          |
| <b>(1) Indian</b>         |   |          |                  |                   |   |          |                  |                   |                          |
| a) Individual/ HUF        | 5,784,946   | 0        | 5,784,946        | 28.58             | 5,784,946   | 0        | 5,784,946        | 28.58             | 0.00                     |
| b) Central Govt.          | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0.00              | 0.00                     |
| c) State Govt.(s)         | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0.00              | 0.00                     |
| d) Body Corp.             | 3,539,200   | 0        | 3,539,200        | 17.49             | 3,539,200   | 0        | 3,539,200        | 17.49             | 0.00                     |
| e) Banks / FI             | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0.00              | 0.00                     |
| f) Any Other....          | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0.00              | 0.00                     |
| <b>Sub-total (A) (1):</b> | <b>9,324,146</b>  | <b>0</b> | <b>9,324,146</b> | <b>46.07</b>      | <b>9,324,146</b>  | <b>0</b> | <b>9,324,146</b> | <b>46.07</b>      | <b>0.00</b>              |

| Category of Shareholder  | No. of Shares held at the beginning of the year<br>[01.04.2022] |          |                  |                   | No. of Shares held at the end of the year<br>[31.03.2023] |          |                  |                   | % Change during the year |
|--|---|----------|------------------|-------------------|---|----------|------------------|-------------------|--------------------------|
|  | Demat   | Physical | Total            | % of Total Shares | Demat   | Physical | Total            | % of Total Shares |                          |
| <b>(2) Foreign</b>   |   |          |                  |                   |   |          |                  |                   |                          |
| a) NRIs-Individuals  | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0.00              | 0.00                     |
| b) Other-Individuals   | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0.00              | 0.00                     |
| c) Body Corp.  | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0.00              | 0.00                     |
| d) Banks / FI  | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0.00              | 0.00                     |
| e) Any Other....   | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0.00              | 0.00                     |
| <b>Sub-total (A) (2):</b>  | <b>0</b>  | <b>0</b> | <b>0</b>         | <b>0.00</b>       | <b>0</b>  | <b>0</b> | <b>0</b>         | <b>0.00</b>       | <b>0.00</b>              |
| <b>Total shareholding of Promoter (A) = (A)(1) + (A) (2)</b>               | <b>9,324,146</b>  | <b>0</b> | <b>9,324,146</b> | <b>46.07</b>      | <b>9,324,146</b>  | <b>0</b> | <b>9,324,146</b> | <b>46.07</b>      | <b>0.00</b>              |
| <b>B. Public Shareholding</b>  |   |          |                  |                   |   |          |                  |                   |                          |
| <b>1. Institutions</b>   |   |          |                  |                   |   |          |                  |                   |                          |
| a) Mutual Funds  | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0.00              | 0.00                     |
| b) Banks / FI  | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0.00              | 0.00                     |
| c) Central Govt.   | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0.00              | 0.00                     |
| d) State Govt.(s)  | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0.00              | 0.00                     |
| e) Venture Capital Funds   | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0.00              | 0.00                     |
| f) Insurance Companies   | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0.00              | 0.00                     |
| g) Foreign Portfolio Investors   | 3,500   | 0        | 3,500            | 0.02              | 18,786  | 0        | 18,786           | 0.09              | 0.07                     |
| h) Foreign Venture Capital Funds   | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0.00              | 0.00                     |
| i) Others (specify)  | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0.00              | 0.00                     |
| <b>Sub-total (B)(1):</b>   | <b>3,500</b>  | <b>0</b> | <b>3,500</b>     | <b>0.02</b>       | <b>18,786</b>   | <b>0</b> | <b>18,786</b>    | <b>0.09</b>       | <b>0.07</b>              |
| <b>2. Central Govt / State Govt(s) / POI</b>                               |   |          |                  |                   |   |          |                  |                   |                          |
| i) Government  | 0   | 0        | 0                | 0.00              | 0   | 0        | 0                | 0                 | 0.00                     |
| <b>3. Non-Institutions</b>   |   |          |                  |                   |   |          |                  |                   |                          |
| <b>a) Bodies Corp.</b>   |   |          |                  |                   |   |          |                  |                   |                          |
| i) Indian  | 1,377,985   | 12,400   | 1,390,385        | 6.87              | 1,458,311   | 12,400   | 1,470,711        | 7.27              | 0.40                     |
| ii) Overseas   | 0   | 400,000  | 400,000          | 1.98              | 0   | 400,000  | 400,000          | 1.98              | 0.00                     |
| iii) IEPF  | 276,744   | 0        | 276,744          | 1.37              | 274,744   | 0        | 274,744          | 1.36              | (0.01)                   |
| iv) Clearing Member  | 16,508  | 0        | 16,508           | 0.08              | 8,825   | 400      | 9225             | 0.05              | (0.03)                   |
| <b>b) Individuals</b>  |   |          |                  |                   |   |          |                  |                   |                          |
| iii) Individual shareholders holding nominal share capital upto Rs. 2 lakh | 3,477,661   | 192,854  | 3,670,515        | 18.13             | 3,900,558   | 175,604  | 4,076,162        | 20.14             | 2.01                     |



| Category of Shareholder  | No. of Shares held at the beginning of the year<br>[01.04.2022] |                |                   |                   | No. of Shares held at the end of the year<br>[31.03.2023] |                |                   |                   | % Change during the year |
|--|---|----------------|-------------------|-------------------|---|----------------|-------------------|-------------------|--------------------------|
|  | Demat   | Physical       | Total             | % of Total Shares | Demat   | Physical       | Total             | % of Total Shares |                          |
| iv) Individual shareholders Holding nominal share capital in excess of Rs 2 lakh | 3,165,483   | 0              | 3,165,483         | 15.64             | 2,595,664   | 0              | 2,595,664         | 12.82             | (2.82)                   |
| <b>c) Others (specify)</b>   |   |                |                   |                   |   |                |                   |                   |                          |
| i) NRI   | 1,624,323   | 0              | 1,624,323         | 8.03              | 1,671,150   | 0              | 1,671,150         | 8.26              | 0.23                     |
| ii) HUF  | 368,396   | 0              | 368,396           | 1.82              | 399,412   | 0              | 399,412           | 1.97              | 0.15                     |
| <b>Sub-total (B)(2):</b>   | <b>10,307,100</b>   | <b>605,254</b> | <b>10,912,354</b> | <b>53.91</b>      | <b>10,308,664</b>   | <b>588,404</b> | <b>10,897,068</b> | <b>53.84</b>      | <b>(0.07)</b>            |
| <b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>                               | <b>10,310,600</b>   | <b>605,254</b> | <b>10,915,854</b> | <b>53.93</b>      | <b>10,327,450</b>   | <b>588,404</b> | <b>10,915,854</b> | <b>53.93</b>      | <b>(0.00)</b>            |
| <b>C. Shares held by Custodian for GDR &amp; ADR</b>                             | <b>0</b>  | <b>0</b>       | <b>0</b>          | <b>0.00</b>       | <b>0</b>  | <b>0</b>       | <b>0</b>          | <b>0.00</b>       | <b>0.00</b>              |
| <b>Grand Total (A+B+C)</b>   | <b>19,634,746</b>   | <b>605,254</b> | <b>20,240,000</b> | <b>100.00</b>     | <b>19,651,596</b>   | <b>588,404</b> | <b>20,240,000</b> | <b>100.00</b>     | <b>0.00</b>              |

## ii) Shareholding of Promoters

| Sr. No.      | Shareholder's Name         | Shareholding at the beginning of the year [01.04.2022] |                                  |  | Shareholding at the end of the year [31.03.2023] |                                  |  | % change in share holding during the year |
|--------------|----------------------------|--|----------------------------------|--|--|----------------------------------|--|---|
|              |                            | No. of Shares  | % of total Shares of the company | % of Shares Pledged / cumbered to total shares | No. of Shares                                    | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |   |
| 1            | Mr. Chetan M Tamboli       | 3,519,420  | 17.39                            | Nil  | 3,519,420  | 17.39                            | Nil  | 0.00                                      |
| 2            | M/s. Rushil Industries Ltd | 1,576,000  | 7.78                             | Nil  | 1,576,000  | 7.78                             | Nil  | 0.00                                      |
| 3            | M/s. Tamboli Trading LLP   | 1,963,200  | 9.70                             | Nil  | 1,963,200  | 9.70                             | Nil  | 0.00                                      |
| 4            | Mrs. Manali C Tamboli      | 1,429,086  | 7.06                             | Nil  | 1,429,086  | 7.06                             | Nil  | 0.00                                      |
| 5            | Chetan M Tamboli (HUF)     | 835,320  | 4.13                             | Nil  | 835,320  | 4.13                             | Nil  | 0.00                                      |
| 6            | Mrs. Hansa M Tamboli       | 1,120  | 0.005                            | Nil  | 1,120  | 0.005                            | Nil  | 0.00                                      |
| <b>TOTAL</b> |                            | <b>9,324,146</b>                                       | <b>46.07</b>                     |  | <b>9,324,146</b>                                 | <b>46.07</b>                     |  | <b>0.00</b>                               |

## iii) Change in Promoters' Shareholding:

| Sr. No.  | Particulars                              | Shareholding at the beginning of the year [01.04.2022] |                                  | Cumulative Shareholding during the year [01.04.2022 to 31.03.2023] |                                  |
|----------|--|--|----------------------------------|--|----------------------------------|
|          |  | No. of Shares  | % of total Shares of the company | No. of Shares  | % of total Shares of the company |
| 1        | At the beginning of the year             | 9,324,146  | 46.07                            | 9,324,146  | 46.07                            |
| 2        | Increase in Shareholding during the year |  |                                  | Nil  | -                                |
| <b>3</b> | <b>At the end of the year</b>            | <b>9,324,146</b>                                       | <b>46.07</b>                     | <b>9,324,146</b>   | <b>46.07</b>                     |

**iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):**

| Sr. No.   | Particulars   | Shareholding at the beginning of the year [01.04.2022] |                                  | Cumulative Shareholding during the year [01.04.2022 to 31.03.2023] |                                  |
|-----------|---|--|----------------------------------|--|----------------------------------|
|           |   | No. of Shares  | % of total Shares of the company | No. of Shares  | % of total Shares of the company |
| <b>1.</b> | <b>Mr. Gautam B Doshi</b>   |  |                                  |  |                                  |
|           | At the beginning of the year  | 787,975  | 3.89                             | 787,975  | 3.89                             |
|           | Increase/ (Decrease) in Shareholding during the year                                      | 0  | 0                                | (48,228)   | (0.24)                           |
|           | At the end of the year  |  |                                  | 739,747  | 3.65                             |
| <b>2.</b> | <b>M/s Meenakshi Mercantiles Ltd</b>  |  |                                  |  |                                  |
|           | At the beginning of the year  | 480,000  | 2.37                             | 480,000  | 2.37                             |
|           | Increase/ (Decrease) in Shareholding during the year                                      | 0  | 0                                | 20,000   | 0.10                             |
|           | At the end of the year  |  |                                  | 500,000  | 2.47                             |
| <b>3.</b> | <b>M/s. Kurimoto Limited</b>  |  |                                  |  |                                  |
|           | At the beginning of the year  | 400,000  | 1.98                             | 400,000  | 1.98                             |
|           | Increase/ (Decrease) in Shareholding during the year                                      | 0  | 0.00                             | 0  | 0                                |
|           | At the end of the year  |  |                                  | 400,000  | 1.98                             |
| <b>4.</b> | <b>Mr. Miten Mehta</b>  |  |                                  |  |                                  |
|           | At the beginning of the year  | 400,000  | 1.98                             | 400,000  | 1.98                             |
|           | Increase/ (Decrease) in Shareholding during the year                                      | 0  | 0                                | 0  | 0                                |
|           | At the end of the year  |  |                                  | 400,000  | 1.98                             |
| <b>5.</b> | <b>Investor Education &amp; Protection Fund Authority (Ministry of Corporate Affairs)</b> |  |                                  |  |                                  |
|           | At the beginning of the year  | 276,744  | 1.367                            | 276,744  | 1.367                            |
|           | Increase/ (Decrease) in Shareholding during the year                                      | 0  | 0                                | (2000)   | (0.01)                           |
|           | At the end of the year  |  |                                  | 274,744  | 1.357                            |
| <b>6.</b> | <b>Mr. Rajiv B. Doshi</b>   |  |                                  |  |                                  |
|           | At the beginning of the year  | 274,583  | 1.36                             | 274,583  | 1.36                             |
|           | Increase/ (Decrease) in Shareholding during the year                                      | 0  | 0                                | (23,582)   | (0.12)                           |
|           | At the end of the year  |  |                                  | 251,001  | 1.24                             |

| Sr. No.    | Particulars  | Shareholding at the beginning of the year [01.04.2022] |                                  | Cumulative Shareholding during the year [01.04.2022 to 31.03.2023] |                                  |
|------------|--|--|----------------------------------|--|----------------------------------|
|            |  | No. of Shares  | % of total Shares of the company | No. of Shares  | % of total Shares of the company |
| <b>7.</b>  | <b>Mr. Bhagwandas Trikamdas Doshi</b>                |  |                                  |  |                                  |
|            | At the beginning of the year                         | 218,767  | 1.33                             | 218,767  | 1.33                             |
|            | Increase/ (Decrease) in Shareholding during the year | 0  | 0                                | 0  | 0                                |
|            | At the end of the year                               |  |                                  | 218,767  | 1.33                             |
| <b>8.</b>  | <b>Ranjit Dongre (HUF)</b>                           |  |                                  |  |                                  |
|            | At the beginning of the year                         | 165,000  | 0.82                             | 165,000  | 0.82                             |
|            | Increase/ (Decrease) in Shareholding during the year | 0  | 0                                | 0  | 0                                |
|            | At the end of the year                               |  |                                  | 165,000  | 0.82                             |
| <b>9.</b>  | <b>Mr. Chirayush Pravin Vakil</b>                    |  |                                  |  |                                  |
|            | At the beginning of the year                         | 153,341  | 0.76                             | 153,341  | 0.76                             |
|            | Increase/ (Decrease) in Shareholding during the year | 0  | 0                                | 0  | 0                                |
|            | At the end of the year                               |  |                                  |  | 153,341                          |
| <b>10.</b> | <b>Neoworth Commercial Private Ltd</b>               |  |                                  |  |                                  |
|            | At the beginning of the year                         | 150,000  | 0.74                             | 150,000  | 0.74                             |
|            | Increase/ (Decrease) in Shareholding during the year | 0  | 0                                | 0  | 0                                |
|            | At the end of the year                               |  |                                  | 150,000  | 0.74                             |

**v) Shareholding of Directors and Key Managerial Personnel:**

| Sr. No.  | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|----------|--|---|----------------------------------|---|----------------------------------|
|          |  | No. of Shares                             | % of total Shares of the company | No. of Shares                           | % of total Shares of the company |
| <b>1</b> | <b>Mr. Chetan M Tamboli (Chairman &amp; Managing Director)</b>   |   |                                  |   |                                  |
|          | At the beginning of the year                                     | 3,519,420                                 | 17.39                            | 3,519,420                               | 17.39                            |
|          | Increase/ (Decrease) in Shareholding during the year             |   |                                  | 0                                       | 0                                |
|          | At the end of the year   |   |                                  | 3,519,420                               | 17.39                            |

| Sr. No.  | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|----------|--|---|----------------------------------|---|----------------------------------|
|          |  | No. of Shares                             | % of total Shares of the company | No. of Shares                           | % of total Shares of the company |
| <b>2</b> | <b>Mr. Harsh R Gandhi (Director)</b>                             |   |                                  |   |                                  |
|          | At the beginning of the years                                    | 200                                       | 0.00                             | 200                                     | 0.00                             |
|          | Increase/ Decrease in Shareholding during the year               | 0   | 0.00                             | 0                                       | 0.00                             |
|          | At the end of the year   |   |                                  | 200                                     | 0.00                             |
| <b>3</b> | <b>Mr. Apurva R Shah (Director)</b>                              |   |                                  |   |                                  |
|          | At the beginning of the year                                     | 0   | 0.00                             | 0                                       | 0.00                             |
|          | Decrease in Shareholding during the year                         | 0   | 0.00                             | 0                                       | 0.00                             |
|          | At the end of the year   | 0   | 0.00                             | 0                                       | 0.00                             |
| <b>4</b> | <b>Mr. Hemant D Dholakia (Director)</b>                          |   |                                  |   |                                  |
|          | At the beginning of the year                                     | 1,000                                     | 0.001                            | 1,000                                   | 0.001                            |
|          | Decrease in Shareholding during the year                         |   |                                  | 0                                       | 0.00                             |
|          | At the end of the year   |   |                                  | 1,000                                   | 0.001                            |
| <b>5</b> | <b>Mrs. Aarushi M Ganatra (Director)</b>                         |   |                                  |   |                                  |
|          | At the beginning of the year                                     | 0   | 0.00                             | 0                                       | 0.00                             |
|          | Decrease in Shareholding during the year                         | 0   | 0.00                             | 0                                       | 0.00                             |
|          | At the end of the year   | 0   | 0.00                             | 0                                       | 0.00                             |
| <b>6</b> | <b>Mr. Rajiv D Gandhi (Director)</b>                             |   |                                  |   |                                  |
|          | At the beginning of the year                                     | 0   | 0.00                             | 0                                       | 0.00                             |
|          | Decrease in Shareholding during the year                         | 0   | 0.00                             | 0                                       | 0.00                             |
|          | At the end of the year   | 0   | 0.00                             | 0                                       | 0.00                             |
| <b>7</b> | <b>Mrs. Vidhi S Merchant (Director)</b>                          |   |                                  |   |                                  |
|          | At the beginning of the year                                     | 0   | 0.00                             | 0                                       | 0.00                             |
|          | Increase in Shareholding during the year                         | 0   | 0.00                             | 0                                       | 0.00                             |
|          | At the end of the year   | 0   | 0.00                             | 0                                       | 0.00                             |

| Sr. No. | Shareholding of each Directors and each Key Managerial Personnel                | Shareholding at the beginning of the year          |                                  | Cumulative Shareholding during the year |                                  |      |
|---------|---|--|----------------------------------|---|----------------------------------|------|
|         |   | No. of Shares                                      | % of total Shares of the company | No. of Shares                           | % of total Shares of the company |      |
| 8       | <b>Mr. Rushil C Tamboli (Whole Time Director)</b>                               |  |                                  |   |                                  |      |
|         |   | At the beginning of the year                       | 0                                | 0.00                                    | 0                                | 0.00 |
|         |   | Increase/ Decrease in Shareholding during the year | 0                                | 0.00                                    | 0                                | 0.00 |
|         |   | At the end of the year                             | 0                                | 0.00                                    | 0                                | 0.00 |
| 9       | <b>Mr. Ashutosh H Shukla (Executive Director-Operations)</b>                    |  |                                  |   |                                  |      |
|         |   | At the beginning of the year                       | 0                                | 0.00                                    | 0                                | 0.00 |
|         |   | Increase/ Decrease in Shareholding during the year | 0                                | 0.00                                    | 0                                | 0.00 |
|         |   | At the end of the year                             | 0                                | 0.00                                    | 0                                | 0.00 |
| 10      | <b>Mr. Subhash R. Sharma (Executive Director &amp; Chief Financial Officer)</b> |  |                                  |   |                                  |      |
|         |   | At the beginning of the year                       | 0                                | 0.00                                    | 10                               | 0.00 |
|         |   | Increase/ Decrease in Shareholding during the year | 0                                | 0.00                                    | 0                                | 0.00 |
|         |   | At the end of the year                             | 0                                | 0.00                                    | 10                               | 0.00 |
| 11      | <b>Mr. Umesh V Bhatt (Company Secretary)</b>                                    |  |                                  |   |                                  |      |
|         |   | At the beginning of the year                       | 0                                | 0.00                                    | 0                                | 0.00 |
|         |   | Increase/ Decrease in Shareholding during the year | 0                                | 0.00                                    | 0                                | 0.00 |
|         |   | At the end of the year                             | 0                                | 0.00                                    | 0                                | 0.00 |

## V. INDEBTEDNESS: Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amount in INR lakhs)

| Particulars  | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total |
|--|----------------------------------|-----------------|----------|-------|
| <b>Indebtedness at the Beginning of the Financial Year</b> |                                  |                 |          |       |
| i) Principal Amount  | -                                | -               | -        | -     |
| ii) Interest due but not paid                              | -                                | -               | -        | -     |
| iii) Interest accrued but not due                          | -                                | -               | -        | -     |
| <b>Total (I + ii + iii)</b>                                | -                                | -               | -        | -     |

| Particulars   | (Amount in INR lakhs)               |                    |          |       |
|---|-------------------------------------|--------------------|----------|-------|
|   | Secured Loans<br>excluding deposits | Unsecured<br>Loans | Deposits | Total |
| <b>Change in Indebtedness during the Financial Year</b> |                                     |                    |          |       |
| Addition  | -                                   | -                  | -        | -     |
| Reduction   | -                                   | -                  | -        | -     |
| Net Change  | -                                   | -                  | -        | -     |
| <b>Indebtedness at the end of the Financial Year</b>    |                                     |                    |          |       |
| i) Principal Amount                                     | -                                   | -                  | -        | -     |
| ii) Interest due but not paid                           | -                                   | -                  | -        | -     |
| iii) Interest accrued but not due                       | -                                   | -                  | -        | -     |
| <b>Total (I + ii + iii)</b>                             | -                                   | -                  | -        | -     |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sr. No.  | Particulars of Remuneration   | (Amount in Rs. Lakhs)   |   |   |   | Total Amount  |
|----------|---|---|---|---|---|---------------|
|          |   | Mr. Chetan M. Tamboli<br>(Chairman & Managing Director)   | Mr. Ashutosh H Shukla<br>(Executive Director- Operations) | Mr. Subhash R. Sharma<br>(Executive Director & Chief Financial Officer) | Mr. Umesh V Bhatt,<br>(Company Secretary) |               |
| <b>1</b> | <b>Gross salary</b>   |   |   |   |   |               |
|          | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 483.19*   | 23.95**   | 24.87   | 7.53                                      | <b>539.54</b> |
|          | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | 2.59  | -   | -   | -   | <b>2.59</b>   |
|          | (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961              | -   | -   | -   | -   | -             |
| <b>2</b> | <b>Stock Option</b>   | -   | -   | -   | -   | -             |
| <b>3</b> | <b>Sweat Equity</b>   | -   | -   | -   | -   | -             |
| <b>4</b> | <b>Commission</b>   |   |   |   |   |               |
|          | - as % of profit  | 4.47%   | -   | -   | -   | <b>4.47%</b>  |
|          | - Others, specify...  |   |   |   |   |               |
| <b>5</b> | <b>Others: Contribution to PF</b>   | -   | -   | -   | -   | -             |
|          | <b>Total (A)</b>  | <b>485.78</b>   | <b>23.95</b>  | <b>24.87</b>  | <b>7.53</b>                               | <b>542.13</b> |
|          | Ceiling as per the Act  | INR 944.94 Lakhs, being 10% of Net Profit of the Company calculated as per section 198 of the Companies Act, 2013 |   |   |   |               |

\*Includes Commission payable.

\*\*Annualized.

### B. Remuneration to other Directors:

| Sr. No. | Particulars of Remuneration                   | Independent Directors |                   |                       |                        |                    |                    |                      | Non-Executive Directors Non-Independent Directors |              | Total Amount |
|---------|---|-----------------------|-------------------|-----------------------|------------------------|--------------------|--------------------|----------------------|---|--------------|--------------|
|         |   | Name                  |                   |                       |                        |                    |                    |                      | Name  |              |              |
|         |   | Mr. Rajendra V Gandhi | Mr. Apurva R Shah | Mr. Hemant D Dholakia | Mrs. Aarushi M Ganatra | Mr. Harsh R Gandhi | Mr. Rajiv D Gandhi | Mr. Rushil C Tamboli | Mrs. Vidhi S Merchant                             |              |              |
| 1       | - Fee for attending board/ Committee meetings | 1.50                  | 3.20              | 3.20                  | 2.10                   | 0.30               | 0.30               | 1.40                 | 0.90  | <b>12.90</b> |              |
| 2       | - Commission                                  | -                     | -                 | -                     | -                      | -                  | -                  | -                    | -   | -            |              |

| Sr. No.             | Particulars of Remune-ration | Independent Directors |                   |                       |                        |                    |                    | Value Rs. In Lakhs                                |                       |
|---------------------|------------------------------|-----------------------|-------------------|-----------------------|------------------------|--------------------|--------------------|---|-----------------------|
|                     |                              | Name                  |                   |                       |                        |                    |                    | Non-Executive Directors Non-Independent Directors | Total Amount          |
|                     |                              | Mr. Rajendra V Gandhi | Mr. Apurva R Shah | Mr. Hemant D Dholakia | Mrs. Aarushi M Ganatra | Mr. Harsh R Gandhi | Mr. Rajiv D Gandhi | Mr. Rushil C Tamboli                              | Mrs. Vidhi S Merchant |
| 3                   | - Others, please specify     | -                     | -                 | -                     | -                      | -                  | -                  | -   | -                     |
| <b>Total Amount</b> |                              |                       |                   |                       |                        |                    |                    |   |                       |

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT / COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|-------------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |   |                               |                                    |
| Penalty                             |                              |                   | None  |                               |                                    |
| Punishment                          |                              |                   |   |                               |                                    |
| Compounding                         |                              |                   |   |                               |                                    |
| <b>B. DIRECTORS</b>                 |                              |                   |   |                               |                                    |
| Penalty                             |                              |                   | None  |                               |                                    |
| Punishment                          |                              |                   |   |                               |                                    |
| Compounding                         |                              |                   |   |                               |                                    |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                               |                                    |
| Penalty                             |                              |                   | None  |                               |                                    |
| Punishment                          |                              |                   |   |                               |                                    |
| Compounding                         |                              |                   |   |                               |                                    |

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

(Chetan M Tamboli)  
Chairman & Managing Director  
DIN: 00028421

Place: Bhavnagar  
Date: 23rd May, 2023

**ANNEXURE-F TO THE BOARD'S REPORT:**

## Form No. MR-3

# SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[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,  
**STEELCAST LIMITED**  
Bhavnagar.

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by STEELCAST LIMITED (hereinafter called the company). Secretarial Audit was conducted in accordance with the Guidance Notes issued by the Institute of Company Secretaries of India and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minutes, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and the other records maintained by STEELCAST LIMITED for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – As informed to us, there were no FDI transaction in the Company during the year under review.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- (b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – Company has appointed SEBI registered Category-I Registrar and Share Transfer Agent.

**We further report that** there were no actions/events in pursuance of the following regulations requiring compliance thereof by the Company during the period of this report:

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (c) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (vi) **Other Applicable Acts**  
As informed to us, there are no laws which have specific applicability to the Company other than general laws applicable to the industry generally, namely:
  - (a) Factories Act, 1948
  - (b) Payment of Wages Act, 1936, and rules made there under,
  - (c) The Minimum Wages Act, 1948, and rules made there under,
  - (d) Employees' State Insurance Act, 1948, and rules made there under,
  - (e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under,



- (f) The Payment of Bonus Act, 1965, and rules made there under,
- (g) Payment of Gratuity Act, 1972, and rules made there under,
- (h) The Water (Prevention and Control Pollution) Act, 1974.
- (i) The Air (Prevention and Control Pollution) Act, 1981,
- (j) Industrial Dispute Act, 1947,

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

#### **We further report that**

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 was given to all the 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.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

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

For **D. G. Bhimani & Associates**

Place : Anand  
Date : 23rd May, 2023  
UDIN : F008064E000362121

**Dineshkumar G. Bhimani**  
Company Secretary  
C P No.: 6628

Note : 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.

### **ANNEXURE-A**

To,  
The Members,  
**STEELCAST LIMITED**  
Bhavnagar.

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 **D. G. Bhimani & Associates**

Place : Anand  
Date : 23rd May, 2023  
UDIN : F008064E000362121

**Dineshkumar G. Bhimani**  
Company Secretary  
C P No.: 6628

**ANNEXURE-G TO THE BOARD'S REPORT:**

## CORPORATE GOVERNANCE REPORT

In terms of Compliance to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") on Corporate Governance, your Company is complying with the Listing Regulations. The report for the year ended on 31st March, 2023 is as follows:

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company has been adhering to the principles of Corporate Governance since over three decades by conducting its affairs in a transparent manner with regularity, responsibility and accountability.

The Philosophy of the Company on Corporate Governance lies in its concern to protect interests of various stakeholders, fair dealings with all and active contribution to the Society at large, while enhancing the wealth of shareholders. The processes of Company are directed to achieve compliance with the Code of Corporate Governance. Company's own policies and expectations include ethical conduct, protection of health, safety and environment and commitment to employees.

Your Company has complied with all applicable guidelines & regulations as stipulated by the Securities and Exchange Board of India pertaining to the Corporate Governance.

### 2. BOARD OF DIRECTORS:

The Company has a balanced Board, comprising 5 Independent Non-Executive Directors including a woman Independent Non-Executive Director, 1 Non-Executive Non-Independent Director, and 4 Executive Directors out of which 1 is Managing Director and 3 are Whole Time Directors. The composition of the Board is in conformity with the requirement of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Chairman of the Board is an Executive Director (Promoter). The Non-Executive Directors including Independent Directors on the Board are experienced, competent and renowned persons in their respective fields. The Board is headed by the Managing Director.

The Board of Directors at their meeting held on 18th September, 2018 appointed Mr. Kumar Tipirneni as permanent invitee to attend the Board and Committee meetings. During the Financial Year 2022-23, the term of appointment of Mr. Rajendra Vadilal Gandhi (DIN: 00189197) as an Independent Director of the Company has expired effective from closing of business hours of 30th September, 2022. Further, Mr. Harsh R Gandhi and Mr. Rajiv D Gandhi have been appointed by the Board and shareholders as Independent Directors for a period of five years effective from 23rd January, 2023. The Board and shareholders have also appointed Mr. Ashutosh H Shukla and Mr. Subhash R Sharma as Executive Directors for a period of five years effective from 23rd January, 2023.

#### a. Composition/Category of Directors/ Attendance at Meetings/Directorships and Committee Memberships in other companies:

| Sr. No. | Name of Directors                                    | Category                               | Number of Board Meetings attended out of Four meetings held in 2022-23 | Whether attended last AGM | Number of Directorships and Committee Membership/Chairmanship in listed entities (including Steelcast Limited) |                         |                          |
|---------|--|--|--|---------------------------|--|-------------------------|--------------------------|
|         |  |  |  |                           | Directorship *   | Committee Membership ** | Committee Chairmanship** |
| 1       | Mr. Rajendra V Gandhi<br>(Upto 30th September, 2022) | Independent Director                   | 2  | Yes                       | 2  | 2                       | 1                        |
| 2       | Mr. Apurva R Shah                                    | Independent Director                   | 4  | Yes                       | 3  | 1                       | 3                        |
| 3       | Mr. Rushil C Tamboli                                 | Whole Time Director                    | 4  | Yes                       | 1  | -                       | -                        |
| 4       | Mr. Hemant D Dholakia                                | Independent Director                   | 4  | Yes                       | 1  | 1                       | 1                        |
| 5       | Mrs. Vidhi S Merchant                                | Non Executive Non Independent Director | 3  | No                        | 1  | 1                       | -                        |

| Sr. No. | Name of Directors                               | Category                                     | Number of Board Meetings attended out of Four meetings held in 2022-23 | Whether attended last AGM | Number of Directorships and Committee Membership/Chairmanship in listed entities (including Steelcast Limited) |                         |                          |
|---------|---|--|--|---------------------------|--|-------------------------|--------------------------|
|         |   |  |  |                           | Directorship *   | Committee Membership ** | Committee Chairmanship** |
| 6       | Mr. Chetan M Tamboli                            | Managing Director (Promoter)                 | 4  | Yes                       | 2  | 1                       | 1                        |
| 7       | Mrs. Aarushi M Ganatra (From 18th May, 2022)    | Independent Director                         | 4  | Yes                       | 1  | 1                       | -                        |
| 8       | Mr. Harsh R Gandhi (From 23rd January, 2023)    | Independent Director                         | 1  | No                        | 3  | 2                       | -                        |
| 9       | Mr. Rajiv D Gandhi (From 23rd January, 2023)    | Independent Director                         | 1  | No                        | 2  | 1                       | -                        |
| 10      | Mr. Ashutosh H Shukla (From 23rd January, 2023) | Executive Director (Operations)              | 1  | No                        | 1  | -                       | -                        |
| 11      | Mr. Subhash R Sharma (From 23rd January, 2023)  | Executive Director & Chief Financial Officer | 1  | No                        | 1  | 2                       | -                        |

\* This excludes Directorship held in Unlisted Public, Private & Foreign Companies and Companies incorporated under Section 8 of the Companies Act, 2013.

\*\* Committees include Audit Committee and Stakeholders' Relationship Committee of Listed Public Company.

None of the Directors is a director in more than 20 Companies and more than 10 public limited Companies, in terms of Section 165 of the Companies Act, 2013. Also, none of the Directors is a member of more than 10 Committees, nor acts as Chairman of more than 5 Committees across all Companies in which they are Directors, as required under Regulation 26 of the Listing Regulation. The Independent Directors fulfill the requirements stipulated in Regulation 25(1) of the Listing Regulations.

#### b. Disclosures pertaining to directors:

The SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 introduced requirement to disclose separately the names of the listed entities, where the person is a director and the category of directorship. The details of all directors are as below:

| Sl. No. | Name of Director  | Name Company in which he/she is director | Type of Directorship                   |
|---------|---|--|--|
| 1       | Mr. Chetan M Tamboli                                    | 1. Steelcast Limited                     | Managing Director                      |
|         |   | 2. Vadilal Enterprises Limited           | Independent Director                   |
| 2       | Mr. Apurva Rajendra Shah                                | 1. Steelcast Limited                     | Independent Director                   |
|         |   | 2. Asian Star Company Limited            | Independent Director                   |
|         |   | 3. Fine-Line Circuits Limited            | Independent Director                   |
| 3       | Mr. Rajendra Vadilal Gandhi (Upto 30th September, 2022) | 1. GRP Limited                           | Managing Director                      |
|         |   | 2. Steelcast Limited                     | Independent Director                   |
| 4       | Mr. Hemant D Dholakia                                   | 1. Steelcast Limited                     | Independent Director                   |
| 5       | Mrs. Aarushi M Ganatra (From 18th May, 2022)            | 1. Steelcast Limited                     | Independent Director                   |
| 6       | Mr. Rushil Chetanbhai Tamboli                           | 1. Steelcast Limited                     | Whole Time Director                    |
| 7       | Mrs. Vidhi S Merchant                                   | 1. Steelcast Limited                     | Non-Executive Non-Independent Director |

| Sl. No. | Name of Director                                | Name Company in which he/she is director | Type of Directorship                         |
|---------|---|--|--|
| 8       | Mr. Harsh R Gandhi<br>(From 23rd January, 2023) | 1. Steelcast Limited                     | Independent Director                         |
|         |   | 2. GRP Limited                           | Joint Managing Director                      |
|         |   | 3. Ultramarine & Pigments Limited        | Independent Director                         |
| 9       | Mr. Rajiv D Gandhi<br>(From 23rd January, 2023) | 1. Steelcast Limited                     | Independent Director                         |
|         |   | 2. Hester Biosciences Limited            | CEO and Managing Director                    |
| 10      | Mr. Ashutosh H Shukla (From 23rd January, 2023) | 1. Steelcast Limited                     | Executive Director (Operations)              |
| 11      | Mr. Subhash R Sharma (From 23rd January, 2023)  | 1. Steelcast Limited                     | Executive Director & Chief Financial Officer |

#### Skills / expertise / competencies of Directors

As per the Listing Regulations, the Board of Directors of the Company have identified the below mentioned skills/ expertise / competencies in the context of the business and the sector in which the Company is operating, for the Company to function effectively:

| Sr. No. | Name of the Director      | Expertise in specific functional areas  |
|---------|---------------------------|---|
| 1       | Mr. Chetan M Tamboli      | He has more than 37 years of experience in steel casting. He is also Director of many reputed companies. His areas of expertise comprise Strategic Management & Finance, General Management, Production, Marketing and Corporate Laws.  |
| 2       | Mr. Apurva R Shah         | He has experience in Audit, Income Tax, Costing, International accounting & Finance and Commercial Laws.  |
| 3       | Mr. Hemantbhai D Dholakia | He has long experience as an entrepreneur and brand building in India and overseas.   |
| 4       | Mr. Rushil C Tamboli      | Working since Aug 2011 in Steelcast Limited in various capacities like 6 Sigma project for improving fuel efficiency of Heat Treatment operations, headed Heat Treatment Section and Shell Moulding Foundry. He was instrumental in developing new parts, achieving improvement in Man Hours Per Ton etc. As he was unable to devote full time to the company due to his pre-occupations, he had resigned from his position as Whole Time Director of the Company effective from the close of 31.03.2022. However, he has continued to be a Director of the Company in the capacity of Non-Executive Non-Independent Director and now the Board has appointed him as a Whole Time Director effective from 23rd May, 2023 subject to the approval of members at ensuing AGM. |
| 5       | Mrs. Vidhi S Merchant     | Having experience of over four years as Psychological and Career Counselor in various Organizations in India and abroad.  |
| 6       | Mrs. Aarushi M Ganatra    | Having worked for more than three decades at various levels in the field of audit, she is at present, working with M/s. Sanghavi & Co., Chartered Accountants, Bhavnagar as a Senior Manager (Audit & Assurance). Statutory audits, internal audits and human resource training are key areas of her expertise. She also heads a consultancy firm, Intellect Consultants which provides professional services in the field of business, finance and investment.   |
| 7       | Mr. Harsh R Gandhi        | <p>He is an Indian Businessman graduated from Purdue University in Bachelor of Science and Owner President Management (OPM 47) from Harvard Business School.</p> <p>Since 2001, he is holding the position of Joint Managing Director in GRP Limited, Mumbai which is a manufacturer of sustainable materials, focused on using end of life tyre &amp; plastic waste to make raw materials for use in automotive, electrical, transportation and defence sectors.</p> <p>GRP is part of a diversified family group of companies spanning real estate development and industrial raw materials in Mumbai. The group foundation manages education institutions, health centers and religious trusts across Mumbai and Gujarat.</p>  |

| Sr. No. | Name of the Director  | Expertise in specific functional areas   |
|---------|-----------------------|--|
| 8       | Mr. Rajiv D Gandhi    | <p>He is B.com graduate from Bombay University. He started a proprietary trading company in 1985 in Mumbai for distributing animal health products.</p> <p>He then transformed that proprietary business into Asia's largest single location animal vaccine and health products manufacturing company based in Ahmedabad under the name of Hester Biosciences.</p> <p>Hester is now a 500 people strong organization which recorded a turnover of INR 254.00 crores in the financial year 2022-23, earning a net profit of INR 32.34 crores.</p>   |
| 9       | Mr. Ashutosh H Shukla | <p>He is Mechanical Engineer from M S University, Baroda and Post Graduate Diploma in Business Administration. He is self-motivated, well-organized and highly analytical professional with 35 years of vast experience in managing the various Roles &amp; Responsibilities and held various positions in various organizations.</p> <p>Mr. Shukla has been with STEELCAST since 1997 and presently working in the capacity of Executive Director (Operations) and looking after complete operations of all the Plants apart from looking after Human Resources ("HR") &amp; Overall supervision of all the plants.</p>               |
| 10      | Mr. Subhash R Sharma  | <p>He is Master of Commerce and a Cost &amp; Management Accountant and a Fellow member of the Institute of Cost Accountants of India (ICAI), formerly known as ICWAI.</p> <p>Mr. Sharma has been working with STEELCAST since July 2016 and currently designated Executive Director &amp; Chief Financial Officer ("CFO"). He handles diverse functions such as Bank Finance, Audit, Investor meetings, Maintenance of books of accounts, audits, discharging statutory duties as CFO and overseeing additional duties related to Secretarial functions, factory canteen, material &amp; stores, admin &amp; security departments.</p> |

**c. No. of Board Meetings held during the Financial Year 2022-23 and dates on which they were held:**

The Board held four (4) meetings during the Financial Year 2022-23 through meeting in person and Video Conferencing i.e. on :

| Sr. No. | Date of the Meeting | Place     |
|---------|---------------------|-----------|
| 1       | May 18, 2022        | Bhavnagar |
| 2       | August 04, 2022     | Bhavnagar |
| 3       | October 20, 2022    | Bhavnagar |
| 4       | January 23, 2023    | Bhavnagar |

**d. Relationship between Directors:**

Mr. Chetan M Tamboli is father of Mr. Rushil C Tamboli and Mrs. Vidhi S Merchant. No other Director is related to any other Director on the Board.

**e. No of Securities held by each director are given in Annexure-E to the Board's Report.**

f. Independent Directors: The Independent Directors, who are from diverse fields of expertise and have long standing experience and expert knowledge in their respective fields are very relevant as well as of considerable value for the Company's business. As a part of familiarization programme as required under Listing Regulations, the Directors have been appraised during the Board Meetings about the amendments to the various enactments viz., Companies Act, 2013 (the Act), Listing Regulations, Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information etc.

During the year, a separate meeting of the Independent Directors was held on January 23, 2023, without the presence of other Directors / Management to discuss the matter as required/agreed amongst them.

Further familiarization programmes and the terms & conditions of appointment of the Independent Directors as required under the Companies Act, 2013 & Listing Regulations are updated on the Company's website at [www.steelcast.net](http://www.steelcast.net)

g. Formal annual evaluation: The Board of Directors, Nomination & Remuneration Committee and Independent Director have carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Act and the Listing Regulations.

h. Function and Procedure of Board: Board meets regularly to make and review policies. Board's role, functions and responsibility are well defined. All relevant information as required under the Listing Regulation and Companies Act, 2013 as amended from time to time is regularly placed before the Board. Further the Board periodically reviews the compliance reports submitted by the management in respect of all laws applicable to the Company.

**3. AUDIT COMMITTEE:**

Your Company has an Audit Committee at the Board level with the powers and role that are in accordance with Listing Regulation and Companies Act, 2013.

**a. Terms of Reference:**

The Audit Committee acts on the terms of reference given by the Board pursuant to Section 177 of the Act



and Regulation 18 of the Listing Regulations. The Committee acts as a link between the Management, the Statutory Auditors, the Internal Auditors, the Cost Auditors, Secretarial Auditors and the Board of Directors. The scope of functioning of the Audit Committee is to review, from time to time, the internal control system & procedures and its adequacy. The Committee reviews accounting policies and financial reporting system & procedures of the Company. It ensures that the financial statements are correct, sufficient and credible and also such other functions as may be prescribed from time to time by Regulatory Authorities. The Audit Committee is vested with the necessary powers to achieve its objectives.

**b. Composition, name of Members & Chairman, Meetings held during the year and attendance at meetings:**

The Audit Committee presently consists of three Non-executive Independent Directors and one executive Director. The Audit Committee meets regularly as stipulated in Regulation 18 of the Listing Regulation. The Managing Director, Internal Auditors and the Statutory Auditors are permanent invitees to the meetings of the Committee. The Secretarial Auditors and Cost Auditor are also invited to attend the Audit Committee Meetings, as and when required.

The details of composition of the Audit Committee, meetings held during the year and attendance of members are as under:

| Sr. No. | Name of Directors                           | Category             | Position in the Audit Committee | No. of Meetings attended out of four (4) meetings held during the year 2022-23 |
|---------|---|----------------------|---------------------------------|--|
| 1       | Mr. Apurva R Shah                           | Independent Director | Chairman                        | 4  |
| 2       | Mrs. Aarushi M Ganatra<br>(From 01.10.2022) | Independent Director | Member<br>(Alternate Chairman)  | 2  |
| 3       | Mr. Hemant D Dholakia                       | Independent Director | Member                          | 4  |
| 4       | Mr. Subhash R Sharma<br>(From 16.02.2023)   | Executive Director   | Member                          | -  |

During the financial year 2022-23, four (4) meetings of the Audit Committee were held through meeting in person and Video Conferencing as per details given below:

| Sr. No. | Date of the Meeting | Place     |
|---------|---------------------|-----------|
| 1       | May 18, 2022        | Bhavnagar |
| 2       | August 04, 2022     | Bhavnagar |
| 3       | October 20, 2022    | Bhavnagar |
| 4       | January 23, 2023    | Bhavnagar |

#### 4. NOMINATION AND REMUNERATION COMMITTEE:

**a. Terms of Reference:**

The terms of reference and Role of the Nomination and Remuneration Committee are as per the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, which includes devising a policy on Board diversity, identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment

and removal, determination of qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees and also formulating performance evaluation criteria. The Committee also ensures equity, fairness and consistency. The recommendations of the Nomination and Remuneration Committee are considered and approved by the Board, subject to the approval of Members, wherever necessary.

The policy is framed by the Nomination and Remuneration Committee and approved by the Board, which includes performance evaluation criteria for Independent Directors as disclosed on the website of the Company at <https://steelcast.net/pdf/nominaation-remuneration.pdf>

**b. Composition, name of Members & Chairman, Meetings held during the year and attendance at meetings:**

The Nomination and Remuneration Committee presently consist of three Directors. The Chairman is an Independent Non-Executive Director.

The details of present composition of the Nomination and Remuneration Committee, meetings held during the year and attendance of members are as under:

| Sr. No. | Name of Directors                         | Category             | Position in the Audit Committee | No. of Meetings attended out of Two (2) meetings held during the year 2022-23 |
|---------|---|----------------------|---------------------------------|---|
| 1       | Mr. Rajiv D Gandhi<br>(From 16.02.2023)   | Independent Director | Chairman                        | -   |
| 2       | Mr. Harsh R Gandhi<br>(From 16.02.2023)   | Independent Director | Member (Alternate Chairman)     | -   |
| 3       | Mr. Rushil C Tamboli<br>(From 16.02.2023) | Whole Time Director  | Member                          | -   |

During the financial year 2022-23, Two (2) meetings of the Nomination and Remuneration Committee were held through meeting in person and Video Conferencing as per details given below:

| Sr. No. | Date of the Meeting | Place     |
|---------|---------------------|-----------|
| 1       | May 18, 2022        | Bhavnagar |
| 2       | January 23, 2023    | Bhavnagar |

**c. Policy for selection and appointment of Directors and their remuneration:**

The Nomination and Remuneration (N&R) Committee has adopted a Policy which, inter alia, deals with the manner of selection of Board of Directors and Key Managerial Personnel and their remuneration as under:

**(i) Appointment criteria and qualification:**

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director in terms of Diversity Policy of the Board and recommend to the Board his / her appointment.

A person should possess adequate qualification, expertise and experience for the position he / she is considered for the appointment of KMP (other than Managing / Whole time Director) or Senior Management Personnel. Further, for administrative convenience, the appointment of KMP (other than Managing / Whole time Director) or Senior Management, the Managing Director is authorized to identify and appoint a suitable person for such position. However, if the need be, the Managing Director may consult the Committee / Board for further directions / guidance.

**(ii) Remuneration Policy:**

The Company has a standard remuneration policy for the Executive and Non-Executive Directors, which is periodically reviewed by the Nomination and Remuneration Committee as under.

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / Shareholders.

An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Companies Act, 2013 and Listing Regulation, as amended from time to time

- The remuneration/compensation/commission, etc., as the case may be, to the Managing / Whole Time Director will be determined by the Committee and recommended to the Board for approval. Subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and Rules made thereunder.
- Further, the Managing Director of the Company is authorized to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management. The same shall be decided by him based on the standard market practice and prevailing HR policies of the Company
- The Board has approved Nomination and Remuneration Policy which has been uploaded on the Company's website.

**d. Details of Remuneration to all the Directors: The Details of remuneration/sitting fees paid/payable to the Directors for the financial year 2022-23 are as under:**

| (Amount in Lakhs)   |   |  |                |          |                   |               |
|---|---|--|----------------|----------|-------------------|---------------|
| Name of the Director                                      | Salary, Allowance, Perquisites and other benefits | Performance-linked Income/ Bonus / Commission Paid or Payable*** | Stock Option** | Pension  | Sitting Fees Paid | Total Amount  |
| <b>Executive Directors &amp; Key Managerial Personnel</b> |   |  |                |          |                   |               |
| Mr. Chetan M Tamboli*                                     | 40.84   | 444.94   | -              | -        | -                 | 485.78        |
| Mr. Ashutosh H Shukla*<br>(From 23.01.2023)               | 4.46****  | -  | -              | -        | -                 | 4.46          |
| Mr. Subhash R Sharma                                      | 24.87   | -  | -              | -        | -                 | 24.87         |
| Mr. Umesh Bhatt   | 7.53  | -  | -              | -        | -                 | 7.53          |
| <b>Non-Executive Directors</b>                            |   |  |                |          |                   |               |
| Mr. Rajendra V Gandhi<br>(Upto 30.09.2022)                | -   | -  | -              | -        | 1.50              | 1.50          |
| Mr. Apurva R Shah   | -   | -  | -              | -        | 3.20              | 3.20          |
| Mr. Hemant D Dholakia                                     | -   | -  | -              | -        | 3.20              | 3.20          |
| Mrs. Aarushi M Ganatra<br>(From 18.05.2022)               | -   | -  | -              | -        | 2.10              | 2.10          |
| Mr. Rushil C Tamboli                                      | -   | -  | -              | -        | 1.40              | 1.40          |
| Mrs. Vidhi S Merchant                                     | -   | -  | -              | -        | 0.90              | 0.90          |
| Mr. Harsh R Gandhi  | -   | -  | -              | -        | 0.30              | 0.30          |
| Mr. Rajiv D Gandhi  | -   | -  | -              | -        | 0.30              | 0.30          |
| <b>Total Amount</b>                                       | <b>77.70</b>                                      | <b>444.94</b>  | <b>-</b>       | <b>-</b> | <b>12.90</b>      | <b>535.54</b> |

No Director is related to any other Director on the Board, except Mr. Chetan M Tamboli who is father of Mr. Rushil C Tamboli and Mrs. Vidhi S Merchant.

\* Service Contract/Notice Period/Severance Fees are as per Agreement entered with Managing Director and Whole Time Director.

\*\*The Company is not having stock option scheme therefore the same is not applicable.

\*\*\*Commission is payable to Managing Director and Whole Time Director only, as per the terms of Contract entered into between by the Company with the Managing Director & Whole Time Director.

\*\*\*\*Effective from 23.01.2023

**e. Pecuniary Relationship with Non-Executive Directors:**

None of the Non-executive Directors has any pecuniary relationship or transactions with the Company except as per disclosure made as per Accounting Standard 18 in the notes to accounts annexed to the financial statements.

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee, looks after, amongst the areas as mentioned in Regulation 20 of the Listing Regulations and Section 178 of the Act for ensuring expeditious redressal of shareholders' and investors' complaints like non-receipt of annual report, Dividend and/or share certificates upon transfer of shares, dematerialization/re-materialization, transfer/ transmission, split/consolidation of shares etc.

The details of present Composition of the Committee are as under:

| Sr. No. | Name of Directors                          | Category                               | Position in the Audit Committee | No. of Meetings attended out of Two (2) meeting held during the year 2022-23 |
|---------|--|--|---------------------------------|--|
| 1       | Mr. Hemant D Dholakia<br>(From 01-10-2022) | Independent Director                   | Chairman                        | 2  |
| 2       | Mr. Subhash R Sharma<br>(From 16.02.2023)  | Executive Director                     | Member (Alternate Chairman)     | -  |
| 3       | Mrs. Vidhi S Merchant<br>(From 16.02.2023) | Non-Executive Non-Independent Director | Member                          | -  |



During the financial year 2022-23, Two (2) meetings of the Stakeholders Relationship Committee were held as per details given below:

| Sr. No. | Date of the Meeting | Place     |
|---------|---------------------|-----------|
| 1       | May 18, 2022        | Bhavnagar |
| 2       | January 23, 2023    | Bhavnagar |

Mr. Umesh V Bhatt, Company Secretary is the Compliance Officer of the Company.

The details of investors' complaints received and resolved during the Financial Year 2022-23 are as under:

| No. of investors' complaints received during the Year | No. of investors' complaints Resolved during the year | Investors' complaints pending at the end of the year |
|---|---|--|
| 1   | 1   | 0  |

## 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility Committee was constituted in accordance with the provisions of the Companies Act, 2013 and rules made there under. The role of this Committee is to formulate policy and monitoring activities of Corporate Social Responsibility spending under the areas as mentioned under the Companies Act, 2013.

The terms of reference and role of the Corporate Social Responsibility Committee are as mentioned in policy formulated in line with schedule VII to the Companies Act, 2013 and Rules made thereunder, same is disclosed on the website of the Company at <https://steelcast.net/pdf/csr.pdf>

The details of composition of the Corporate Social Responsibility Committee meeting held during the year and attendance of members are as under:

| Sr. No. | Name of Directors                           | Category                               | Position in the Audit Committee | No. of Meetings attended out of Three (3) meeting held during the year 2022-23 |
|---------|---|--|---------------------------------|--|
| 1       | Mrs. Aarushi M Ganatra<br>(From 16.02.2023) | Independent Director                   | Chairman                        | -  |
| 2       | Mrs. Vidhi S Merchant<br>(From 16.02.2023)  | Non-Executive Non-Independent Director | Member<br>(Alternate Chairman)  | 3  |
| 3       | Mr. Chetan M Tamboli<br>(From 16.02.2023)   | Managing Director                      | Member                          | 3  |

During the financial year 2022-23, three (3) meeting of the Corporate Social Responsibility Committee were held as per details given below:

| Sr. No. | Date of the Meeting | Place     |
|---------|---------------------|-----------|
| 1       | May 18, 2022        | Bhavnagar |
| 2       | October 20, 2022    | Bhavnagar |
| 3       | January 23, 2023    | Bhavnagar |

## 7. RISK MANAGEMENT COMMITTEE:

Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) mandates the formulation of Risk Management Policy for top1000 listed entities, determined on the basis of market capitalisation, as at the end of the immediate previous financial year. It further mandates the constitution of Risk Management Committee to oversee the compliance with the Risk Management framework in top1000 listed entities. Our Company is falling under the criteria of top1000 listed entities. The Company had formulated this policy last year itself. Accordingly, the detailed Risk Management Policy has been framed which is available on the website of the Company at [https://steelcast.net/pdf/Final\\_RMP\\_16\\_3\\_2022.pdf](https://steelcast.net/pdf/Final_RMP_16_3_2022.pdf). The Risk Management Policy provides for the

composition of the Risk Management Committee and present composition of the Committee is as under:

| Sr. No. | Name of Committee Member | Position in the Company                      | Position in the Committee |
|---------|--------------------------|--|---------------------------|
| 1       | Mr. Harsh R Gandhi       | Independent Director                         | Chairman                  |
| 2       | Mr Rushil C Tamboli      | Whole Time Director                          | Alternate Chairman        |
| 3       | Mr Chetan M Tamboli      | Chairman & Managing Director                 | Member                    |
| 4       | Mr Ashutosh H Shukla     | Executive Director (Operations)              | Member                    |
| 5       | Mr Subhash Sharma        | Executive Director & Chief Financial Officer | Member                    |

During the financial year 2022-23, three (3) meeting of the Risk Management Committee were held as per details given below:

| Sr. No. | Date of the Meeting | Place     |
|---------|---------------------|-----------|
| 1       | August 04, 2022     | Bhavnagar |
| 2       | October 20, 2022    | Bhavnagar |
| 3       | January 23, 2023    | Bhavnagar |

## 8. SUBSIDIARY COMPANIES:

The requirement of formulating a specific policy on dealing with material subsidiaries doesn't arise as the Company has no Subsidiary as on date.

## 9. GENERAL BODY MEETINGS:

### a. Location and time where last three Annual General Meetings (AGMs) held:

| Financial Year | AGM | Location   | Date              | Time       |
|----------------|-----|--|-------------------|------------|
| 2021-22        | AGM | Efcee Sarovar Portico – Sarovar Hotels, Iscon Mega City, Opp. Victoria Park Bhavnagar, Gujarat | 04th August, 2022 | 1600 Hours |
| 2020-21        | AGM | Through Video Conference (“VC”)/Other Audio Visual Means (“OAVM”)                              | 09th August, 2021 | 1600 Hours |
| 2019-20        | AGM | Through Video Conference (“VC”)/Other Audio Visual Means (“OAVM”)                              | 14th August, 2020 | 1600 Hours |

### b. Special Resolutions passed in the previous three AGMs:

| Financial Year | AGM held on       | Special Resolutions passed   |
|----------------|-------------------|--|
| 2021-22        | 04th August, 2022 | 1. For appointment of Mrs. Aarushi M Ganatra as Independent Non-Executive Director.  |
| 2020-21        | 09th August, 2021 | 1. Re-appointment of Mr. Chetan M Tamboli as Managing Director and fixation of remuneration.<br>2. Alteration of Articles of Association of the Company.                     |
| 2019-20        | 14th August, 2020 | 1. For appointment of Mrs. Vidhi S Merchant as Whole Time Director of the Company.<br>2. For appointment of Mr. Hemantbhai D Dholakia as Independent Non-Executive Director. |

### c. During the financial year 2022-23, an Extra Ordinary General Meeting (EGM) was held on 23.03.2023 where the following resolutions were passed:

| Financial Year | EGM held on      | Resolutions passed at the EGM   |
|----------------|------------------|---|
| 2022-23        | 23rd March, 2023 | 1. For appointment of Mr. Harsh R Gandhi as Independent Non-Executive Director.<br>2. For appointment of Mr. Rajiv D Gandhi as Independent Non-Executive Director.<br>3. For appointment of Mr. Ashutosh H Shukla as Executive Director, liable to retire by rotation.<br>4. For appointment of Mr. Subhash R Sharma as Executive Director, liable to retire by rotation. |

### d. Passing of Resolution by Postal Ballot:

None of special resolution was passed by way of postal ballot during the financial year ended March 31, 2023. As on date, the Company does not have any proposal to pass any special resolution by way of postal ballot.

approval for certain transactions to be entered into with the related parties during the year. The Statement giving details of all related party transactions entered into pursuant to the omnibus approval so granted is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

## 10. DISCLOSURES:

### a. Related Party Transactions:

Transactions with related parties, as per requirements of Indian Accounting Standard (Ind AS) 24 are disclosed in the notes to accounts annexed to the financial statements. All the transactions with related parties were in the ordinary course of business and on arm's length basis. In terms of Regulation 23 of Listing Regulations, the Company obtains prior approval of the Audit Committee for entering into any transaction with related parties. The Audit Committee granted omnibus

Policy on dealing with Related Party Transactions can be viewed in the Company's website at <https://steelcast.net/pdf/related-party-transaction.pdf>

### b. Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities or any matter related to capital markets during the last three years:

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory

authority on any matters related to capital markets in the last three years.

#### **c. Whistleblower Policy:**

The Company has formulated Whistleblower Policy in conformity with the Regulation 22 of the Listing Regulation and Section 177 of the Companies Act, 2013, to provide a mechanism for directors and employees of the company to approach the Ethics Counselor/ Chairman of the Audit Committee of the Company for the purpose of dealing with instance of fraud and mismanagement, if any and also to ensure that whistleblowers are protected from retribution, whether within or outside the organization.

No personnel have been denied access to the Audit Committee, if any, during the year.

The Company's Whistleblower Policy is on the Company's website at <https://steelcast.net/pdf/whistle-blower-policy.pdf>.

#### **d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of Listing Regulation:**

- **Mandatory:** During the year, the Company has fully complied with the mandatory requirements as stipulated in Listing Regulations. Further Company has submitted report on compliance with corporate governance requirements as specified in regulation 17 to 27 and 46(2) with the Stock Exchanges.

**Non Mandatory:** The Company has adopted Non-Mandatory requirements as per C and E of Part E of Schedule II to the Listing Regulations and has not adopted Clause A, B and D as they are discretionary requirements.

#### **e. Commodity Price Risk and Hedging activities:**

Company is a sizable user of various commodities, including base metals & others, which exposes it to the price risk on account of procurement of commodities. The company has drawn a hedging policy for activities exposed to foreign exchange fluctuations including for imports of goods.

### **11. GENERAL CODE OF CONDUCT:**

The Company has formulated and implemented a General Code of Conduct (copy available on Company's website at <https://steelcast.net/pdf/general-code-conduct.pdf>) for all its Directors and Senior Management of the Company in compliance with Listing Regulation. All the Board Members and Senior Management of the Company have affirmed compliance with the Said Code of Conduct for the financial year ended March 31, 2023.

A declaration by the Chairman and Managing Director affirming compliance with the said Code of Conduct by Board Members and Senior Management is annexed at the end of the Report and forms part of this Report.

### **12. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:**

The Board of Directors at their meeting held on March 29, 2019 has revised policy for code of practices and procedures for fair disclosure of unpublished price sensitive information as per SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and the Rules made thereunder. The said policy can be accessed on the Company's website at <https://steelcast.net/pdf/Steelcast%20-Code%20of%20Fair%20Disclosures%20and%20conduct%20for%20Prevention%20of%20Insider%20Trading.pdf>. The necessary preventive actions, including Closure of Trading Window around the time of publication of any price sensitive events or information, are taken.

### **13. MD/CEO & CFO CERTIFICATION:**

In accordance with the requirements of Regulation 17(8) of Listing Regulation, a certificate from Managing Director and Chief Financial Officer of the Company, on the financial statements of the Company was placed before the Board in the Meeting held on 23rd May, 2023. The same is annexed to this report and forms part of this Annual Report.

### **14. REPORT ON CORPORATE GOVERNANCE:**

This Corporate Governance Report forms part of the Annual Report. Certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance as stipulated in Listing Agreement/Listing Regulation is annexed to this report and forms part of this Annual Report.

### **15. MEANS OF COMMUNICATION:**

The Company has a practice to publish Quarterly\ Annual results in leading newspapers of the Country, namely, Economic Times, Business Standard (English) and Financial Express (Gujarati) and also to put the same on its website at [www.steelcast.net](http://www.steelcast.net). The aforesaid financial results are also disclosed on the websites of the BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE) where the Company's securities are listed, immediately after these are approved by the Board. Moreover, a direct communication is also made to the shareholders by the Managing Director as and when required. Further, there is a separate General Shareholder Information section in this Annual Report and forms part of it.



## 16. Disclosures of Related Party Transactions (RPTs):

The SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 have introduced, as a part of the “related party disclosure” in the annual report, disclosures of transactions of the listed entity with any person or entity belonging to the promoter or promoter group which hold(s) 10% or more shareholding in the listed entity. The details of related party transactions entered during the financial year 2022-23 are as below:

| Name of the Related Party                    | Nature of Transaction                            | Amount in Rs. (in Lakhs) |
|--|--|--------------------------|
| Mr. Chetan M Tamboli                         | Remuneration                                     | 38.25                    |
|  | Commission paid for Financial Year 2021-22       | 187.21                   |
|  | Medical Expenses Reimbursement                   | 2.59                     |
| Mr. Rushi C Tamboli                          | Commission paid for Financial Year 2021-22       | 47.43                    |
|  | Sitting fees                                     | 1.40                     |
| Mrs. Vidhi S Merchant                        | Sitting fees                                     | 0.90                     |
| Mr. Ashutosh H Shukla<br>(w.e.f. 23.01.2023) | Remuneration                                     | 4.46                     |
| Mr. Subhash R Sharma                         | Remuneration                                     | 24.87                    |
| Mr. Umesh V Bhatt                            | Remuneration                                     | 7.53                     |
| Steelcast Education Trust                    | Donation towards Corporate Social Responsibility | 20.00                    |

## 17. Disclosure on audit and non-audit services rendered by the auditor:

The SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 requires to disclose total fees paid to auditors for audit and non-audit services to improve transparency. The total fee paid to the Statutory Auditors during the FY 2022-23 is as under:

|    |                                 |                       |
|----|---------------------------------|-----------------------|
| a. | Fee paid for audit services:    | Rs. 5.55 Lakhs        |
| b. | Fee paid for Non-Audit Service: | Rs. 3.27 Lakhs        |
|    | <b>Total fee paid:</b>          | <b>Rs. 8.82 Lakhs</b> |

## 18. Disclosure pertaining to Credit Rating:

SEBI (LODR) (Amendment) Regulations, 2018, Para 3(t)(ii) and Para 3(x)(c)(ii) require listed entity to disclose as a part of the Corporate Governance Report, a list of all credit ratings obtained by the listed entity for all debt instruments or for any fixed deposit program, or any scheme or proposal involving mobilization of funds. This needs to be disclosed along with any revisions thereto during the relevant financial year. The ratings for the following CREDIT facilities sanctioned by banks, carried out by CARE Ratings Limited and intimated vide their letter no. CARE/ARO/RL/2022-23/7352 dated 15th February, 2023:

| Sr. No. | Credit Facilities               | Ratings  | Rating Action  |
|---------|---------------------------------|--|--|
| 1       | Long Term/Short Term Facilities | CARE A-; Stable / CARE A2+ (Single A Minus ; Outlook: Stable / A Two Plus) | Revised from CARE BBB+; Positive / CARE A2 (Triple B Plus ; Outlook: Positive / A Two) |

### Rating Drivers:

- Significant growth in the scale of operation and sustained healthy profitability
- Comfortable capital structure and debt coverage indicators and advance stage of completion of capex
- Experienced promoters and established player in the castings industry for more than six decades
- Established operations with ability to manufacture wide range of castings and reputed clientele

## 19. Disclosure in relation to the sexual harassment of women at work place (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

## 20. Disclosures pertaining to disqualification of Directors:

The SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 introduced requirement to disclose 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 the directors of companies by the Board/MCA or any such statutory authority. In this regard, the Company has received certificate from Mr. Dinesh Bhimani, Practicing Company Secretary (Membership No. FCS 8064) (Address: 207, Nathwani Chambers, Sardar Gunj, Anand-388 001, Gujarat) dated 08/05/2023 that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as the directors of companies by the Board/MCA or any such statutory authority.

## 21. Views of committees not accepted by the Board of Directors:

The SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 introduced requirement to disclose, along with the reasons thereof, where the Board has not accepted any recommendation of any committee of the Board which is mandatorily required. We hereby confirm that the Board has accepted all the recommendations received from Committees of the Board which are mandatorily required and there is no recommendation which has not been accepted by the Board to comment upon.

## 22. General Shareholders Information:

### a. Information about Annual General Meeting, Financial Year, Book Closure & Dividend Payment Date, Stock Exchanges & Stock Code:

| Sr. No | Particulars  | Details                                     |  |  |                               |
|--------|--|---|--|--|-------------------------------|
| 1      | Financial Year: From 1st April to 31st March           |   |  |  |                               |
| 2      | Annual General Meeting<br>(as indicated in the Notice) | <b>Date</b>                                 | <b>Time</b>  | <b>Venue</b>   |                               |
|        |  | 3rd August, 2023                            | 1600 Hours   | Efcee Sarovar Portico – Sarovar Hotels, Iscon Mega City, Opp. Victoria Park, Bhavnagar, Gujarat 364002 |                               |
| 3      | Date of Book Closure (both days inclusive)             | <b>From</b>                                 | <b>To</b>  | <b>Dividend Payment Date</b>   |                               |
|        |  | 27th July, 2023                             | 3rd August, 2023                                   | On or before 2nd September, 2023   |                               |
| 4      | <b>Listing on Stock Exchanges</b>                      | <b>Name of Stock Exchange</b>               | <b>Stock Code/ Symbol</b>                          | <b>ISIN</b>  | <b>Listing Fees paid upto</b> |
|        |  | BSE Limited (BSE)                           | 513517   | INE124E01020   | 31st March, 2024              |
|        |  | National Stock Exchange of India Ltd. (NSE) | STEELCAS   | INE124E01020   | 31st March, 2024              |
| 5      | Address for Correspondence                             | Name of contact person                      | Address  | Telephone  | e-mail                        |
|        |  | Mr. Umesh Bhatt (Company Secretary)         | Steelcast Limited Ruvapari Road, Bhavnagar 364 005 | 0278-2519062   | cs@steelcast.net              |

### b. Market Capitalization of the Company & Price Earning Ratio:

#### i) BSE

| Date       | Market Price-Closing (Rs) | EPS in Rs. (TTM) | P/E ratio | Market capitalization (Rs. In Lakhs) | % Change in |                       |
|------------|---------------------------|------------------|-----------|--------------------------------------|-------------|-----------------------|
|            |                           |                  |           |                                      | P/E Ratio   | Market Capitalization |
| 31.03.2023 | 455.45                    | 34.84            | 13.07     | 92,183.08                            | (38.58)     | 30.21                 |
| 31.03.2022 | 349.80                    | 16.44            | 21.28     | 70,799.52                            |             |                       |

#### ii) NSE

| Date       | Market Price-Closing (Rs) | EPS in Rs. (TTM) | P/E ratio | Market capitalization (Rs. In Lakhs) | % Change in |                       |
|------------|---------------------------|------------------|-----------|--------------------------------------|-------------|-----------------------|
|            |                           |                  |           |                                      | P/E Ratio   | Market Capitalization |
| 31.03.2023 | 456.40                    | 34.84            | 13.10     | 92,375.36                            | (38.18)     | 31.00                 |
| 31.03.2022 | 348.40                    | 16.44            | 21.19     | 70,516.16                            |             |                       |

**c. Market Price Data and Performance in comparison to broad-based indices viz., NIFTY 50 & BSE Sensex:**

**i. (As per records of BSE Limited (BSE) in respective month of the Financial Year 2022-23)**

| Month     | Share Price at BSE (Rs.) |        | BSE Sensex |           |
|-----------|--------------------------|--------|------------|-----------|
|           | High                     | Low    | High       | Low       |
| Apr, 2022 | 390.00                   | 326.00 | 60,845.10  | 56,009.07 |
| May, 2022 | 377.90                   | 271.25 | 57,184.21  | 52,632.48 |
| Jun, 2022 | 378.95                   | 281.00 | 56,432.65  | 50,921.22 |
| Jul, 2022 | 450.00                   | 324.65 | 57,619.27  | 52,094.25 |
| Aug, 2022 | 509.00                   | 407.45 | 60,411.20  | 57,367.47 |
| Sep, 2022 | 468.00                   | 410.80 | 60,676.12  | 56,147.23 |
| Oct, 2022 | 499.85                   | 410.00 | 60,786.70  | 56,683.40 |
| Nov, 2022 | 479.90                   | 416.00 | 63,303.01  | 60,425.47 |
| Dec, 2022 | 560.70                   | 431.95 | 63,583.07  | 59,754.10 |
| Jan, 2023 | 524.35                   | 450.30 | 61,343.96  | 58,699.20 |
| Feb, 2023 | 572.00                   | 461.90 | 61,682.25  | 58,795.97 |
| Mar, 2023 | 512.00                   | 426.95 | 60,498.48  | 57,084.91 |

**ii. (As per records of National Stock Exchange of India Limited (NSE) in respective month of the Financial Year 2022-23)**

| Month     | Share Price at BSE (Rs.) |        | Nifty 50 Index |           |
|-----------|--------------------------|--------|----------------|-----------|
|           | High                     | Low    | High           | Low       |
| Apr, 2022 | 392.10                   | 339.90 | 18,114.65      | 16,824.70 |
| May, 2022 | 369.95                   | 250.70 | 17,132.85      | 15,735.75 |
| Jun, 2022 | 361.90                   | 279.95 | 16,793.85      | 15,183.40 |
| Jul, 2022 | 453.00                   | 325.50 | 17,172.80      | 15,511.05 |
| Aug, 2022 | 509.95                   | 402.05 | 17,992.20      | 17,154.80 |
| Sep, 2022 | 469.00                   | 407.20 | 18,096.15      | 16,747.70 |
| Oct, 2022 | 501.75                   | 421.60 | 18,022.80      | 16,855.55 |
| Nov, 2022 | 485.00                   | 425.50 | 18,816.05      | 17,959.20 |
| Dec, 2022 | 563.10                   | 429.00 | 18,887.60      | 17,774.25 |
| Jan, 2023 | 525.00                   | 442.50 | 18,251.95      | 17,405.55 |
| Feb, 2023 | 559.95                   | 460.15 | 18,134.75      | 17,255.20 |
| Mar, 2023 | 511.25                   | 437.95 | 17,799.95      | 16,828.35 |

**d. Registrar and Share Transfer Agents:**

M/s. Bigshare Services Pvt. Ltd are the Registrar and Share Transfer Agents of the Company. Their contact details are as under:

Address: A-802 Samudra Complex, Off CG Road, Navrangpura, Ahmedabad, Gujarat, 380009.  
 Phone: 079 - 40392571  
 Email: [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com)  
 Website: [www.bigshareonline.com](http://www.bigshareonline.com)

**e. Share Transfer System:**

The Company's shares being in compulsory demat list, are transferable through the depository system. However, shares in the physical form are processed by the Registrar and Share Transfer Agents for certain specific purposes such as transmission etc. due to restrictions laid down by the SEBI. The share transfer process is reviewed and noted by the Board/Committee.

**f. Distribution of shareholding as on 31st March, 2023:**

| No of equity shares | No of shareholders | % of shareholders | No of shares held | % of shareholding |
|---------------------|--------------------|-------------------|-------------------|-------------------|
| 1 to 5000           | 5,038              | 86.09             | 930,354           | 4.60              |
| 5001 to 10000       | 279                | 4.77              | 425,293           | 2.10              |
| 10001 to 20000      | 200                | 3.42              | 584,110           | 2.88              |
| 20001 to 30000      | 91                 | 1.55              | 444,798           | 2.20              |
| 30001 to 40000      | 48                 | 0.82              | 337,582           | 1.67              |
| 40001 to 50000      | 32                 | 0.55              | 289,998           | 1.43              |
| 50001 to 100000     | 75                 | 1.28              | 1,070,793         | 5.29              |
| 100001 & above      | 89                 | 1.52              | 16,157,072        | 79.83             |
| <b>Total</b>        | <b>5,852*</b>      | <b>100.00</b>     | <b>20,240,000</b> | <b>100.00</b>     |

\* Total No. of Registered Folio.

**Shareholding pattern as on 31st March, 2023:**

| Sr. No.                          | Category of shareholder                     | Number of Share-holders | Number of shares held | Number of shares held in dematerialized form | % of share-holding | % of share-holders |
|----------------------------------|---|-------------------------|-----------------------|--|--------------------|--------------------|
| 1.0                              | Shareholding of Promoter and Promoter Group | 6                       | 9,324,146             | 9,324,146                                    | 46.07              | 0.10               |
| 2.0                              | Public Shareholding                         |                         |                       |  |                    |                    |
| 2.1                              | Institutions-FPI                            | 2                       | 18,786                | 18,786                                       | 0.09               | 0.03               |
| 2.2                              | Central government / IEPF Suspense Account  | -                       | -                     | -  | -                  | -                  |
| 2.3                              | Body Corporate                              | 87                      | 1,470,711             | 1,458,311                                    | 7.27               | 1.51               |
| 2.4                              | Individuals                                 | 5,289                   | 6,671,826             | 6,496,222                                    | 32.96              | 92.03              |
| 2.5                              | NRI   | 168                     | 1,671,150             | 1,671,150                                    | 8.26               | 2.92               |
| 2.6                              | Foreign Company                             | 1                       | 400,000               | -  | 1.98               | 0.02               |
| 2.7                              | HUF   | 177                     | 399,412               | 399,412                                      | 1.97               | 3.08               |
| 2.8                              | Clearing Members                            | 16                      | 9,225                 | 8,825  | 0.04               | 0.29               |
| 2.9                              | IEPF  | 1                       | 274,744               | 274,744                                      | 1.36               | 0.02               |
| <b>Total Public Shareholding</b> |   | <b>5,741</b>            | <b>10,915,854</b>     | <b>10,327,450</b>                            | <b>53.93</b>       | <b>99.90</b>       |
| <b>Grand Total (1.0) + (2.0)</b> |   | <b>5,747*</b>           | <b>20,240,000</b>     | <b>19,651,596</b>                            | <b>100.00</b>      | <b>100.00</b>      |

\*Number of shareholders based on PAN.

**g. Dematerialization of Shares and Liquidity:**

The equity shares of the Company are available in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd., (CDSL). The Company's equity shares are traded compulsorily in the dematerialized form. As on date, out of 20,240,000 equity shares of the Company, 19,651,596 equity shares have been dematerialized, representing 97.09% of the total number of shares.

Your company confirms that the promoters' holdings were converted into dematerialized form and the same is in line with the circulars issued by SEBI.

Shareholders who are still holding shares in physical form are requested to dematerialize their shares at the earliest. This will be necessary and also be advantageous to deal in securities. For queries / clarification / assistance, shareholders are advised to approach the Company's Registrar and Share Transfer Agents, Bigshare Services Private Limited, Ahmedabad.

**h. Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity:**

As on date, the Company has not issued GDRs, ADRs or any other Convertible Instruments and as such, there is no impact on the equity share capital of the Company.

**i. Plant Locations:**

The Company's plant is located only at Ruvapari Road, Bhavnagar, Gujarat 364005.

**j. Commodity Price Risk/Foreign Exchange Risk and Hedging Activities:**

The Company is exposed to foreign exchange risk on account of import and export transactions entered into. The imports of various commodities like ferro alloys and base metals constitute almost 10% of our total purchases. The Company has foreign exchange risk management policy to guide the monitoring of exposures to the price risk for imports and exports transactions. The hedging activity is conducted in line with the said policy,

**k. Disclosure with respect to demat suspense account/ unclaimed suspense account of shares:**

As on 31-03-2023, 274,744 shares have been transferred to Investor Education Fund Suspense Account.

Section 124 & 125 of the Companies Act 2013 read with the Investor Education and Protection Fund Authority (Accounting Audit Transfer and Refund) Rules, 2016 ('the Rules') notified by the Ministry of Corporate Affairs, New Delhi, inter alia, provide for transfer of all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years, to the Investor Education Protection Fund (IEPF) set up by the Central Government.

**l. Discretionary Requirements:**

- The position of the Chairman and Managing Director are not separate as this is optional now.
- The quarterly financial results are published in the newspapers of wide circulation and are not sent to individual shareholders. Further, the financial results are available on the website of the Company and of the Stock Exchanges where the shares of the Company are listed, i.e. BSE Ltd and National Stock Exchange of India Ltd.
- The Auditors' Opinion on the Financial Statements is unmodified.
- Internal Auditors report to the Audit Committee.

**m. Disclosure of the Compliance with Corporate Governance requirement as specified in Listing Regulation:**

The Company affirms that all the requirements applicable under the Listing Regulations are complied with.

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

Place: Bhavnagar  
Date : 23rd May, 2023

**(Chetan M Tamboli)**  
Chairman & Managing Director



## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members of  
**Steelcast Limited**  
Ruvapari Road,  
Bhavnagar - 364005.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of STEELCAST LIMITED having CIN L27310GJ1972PLC002033 and having registered office at Ruvapari Road, Bhavnagar- 364005 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| Sr. No. | Name of Director                 | DIN      | Date of appointment in Company |
|---------|----------------------------------|----------|--------------------------------|
| 1       | Apurva Rajendra Shah             | 00004781 | 18/06/2003                     |
| 2       | Chetankumar Manmohanbhai Tamboli | 00028421 | 31/08/1991                     |
| 3       | Harsh Gandhi                     | 00133091 | 23/01/2023                     |
| 4       | Hemantbhai Devendrabhai Dholakia | 00147408 | 29/06/2020                     |
| 5       | Vidhi Chetanbai Tamboli          | 06689283 | 05/11/2019                     |
| 6       | Rushil Chetanbhai Tamboli        | 07807971 | 02/11/2017                     |
| 7       | Aarushi Manoj Ganatra            | 01527566 | 18/05/2022                     |
| 8       | Rajiv Gandhi                     | 00438037 | 23/01/2023                     |
| 9       | Ashutosh Shukla                  | 02544350 | 23/01/2023                     |
| 10      | Subhash Sharma                   | 07871467 | 23/01/2023                     |

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

For **D. G. Bhimani & Associates**

Place: Anand  
Date : 8th May, 2023  
UDIN : F008064E000271668

**Dineshkumar G. Bhimani**  
Company Secretary  
CP No.: 6628

## DECLARATION OF COMPLIANCE WITH THE GENERAL CODE OF CONDUCT OF THE COMPANY

In the above regard as provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I declare as follows:

1. The Company does have a General Code of Conduct approved by its Board of Directors, which is posted on its website [www.steelcast.net](http://www.steelcast.net)
2. All the members of the Board of Directors and all the members of the Senior Management of the Company have individually submitted statements of affirmation of compliance with the said Code of Conduct for the financial year ended 31st March, 2023.

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

Place: Bhavnagar  
Date: 23rd May, 2023

Sd/-  
**(Chetan M Tamboli)**  
Chairman & Managing Director

## MD/CEO & CFO CERTIFICATION

To  
The Board of Directors,  
**STEELCAST LIMITED,**

We certify that:

- a. We have reviewed financial statements and the cash flow statement of Steelcast Limited for the year ended March 31, 2023 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the Company during the years which are fraudulent, illegal or violative of the Code of Conduct of the Company.
- c. We accept responsibility for establishing and maintaining internal controls over financial reporting and that we have evaluated the effectiveness of internal control systems of the Company over financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls over financial reporting, if any, of which we are aware and the steps we have taken, propose to take, to rectify these deficiencies. In our opinion, there are adequate internal controls over financial reporting;
- d. We have indicated to the auditors and the Audit Committee that there are:
  - (i) no significant changes in internal control over financial reporting during the year;
  - (ii) no significant changes in accounting policies during the year and
  - (iii) no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting

For **STEELCAST LIMITED**

**(Chetan M Tamboli)**  
Chairman & Managing Director

For **STEELCAST LIMITED**

**(Subhash R. Sharma)**  
Executive Director & Chief Financial Officer

Place: Bhavnagar  
Date: 23rd May, 2023

ANNEXURE-H TO THE BOARD'S REPORT:

## INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
**STEELCAST LIMITED**

1. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").

### MANAGEMENT'S RESPONSIBILITY

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

### AUDITOR'S RESPONSIBILITY

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and

Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### OPINION

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2023.

### OTHER MATTERS AND RESTRICTION ON USE

8. 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.
9. This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For **S S M & Co**,  
Chartered Accountants  
FRN : 129198W

Bhavnagar  
23rd May 2023  
UDIN : 23106804BGYMXB4546

**CA Sarju S. Mehta**  
Partner  
M. N. 106804



## ANNEXURE-I TO THE BOARD'S REPORT

# MANAGEMENT DISCUSSION AND ANALYSIS

## Company overview

Steelcast Ltd is a well-known name in the steel and alloy-steel castings industry. It manufactures cast products using no-bake and shell moulding processes. The company continued catering to its main sectors like earth moving equipment, mining & mineral processing, construction, railways, steel plants, cement, locomotive, defence etc. The company explored new regions, sectors and customers during the year, thus adding to the number of parts produced. The performance of the company during the year has been exceptionally well historically. The financial performance has exceeded the expectations made at the beginning of the year in terms of top and bottom line.

The positive recovery globally contributed significantly to the performance of the company during the year under review. The growth of export sales was higher as compared to domestic sales of previous year.

## Global economic overview

The global economy was estimated to have grown at a slower 3.2% in 2022, compared to 6% in 2021. Some realities that defined the global business and trading sentiment comprised the Russian invasion of Ukraine, return of inflation, pandemic upsurge in China, global liquidity squeeze following higher interest rates and quantitative tightening by the US Federal Reserve.

The total outcome of these adversities translated into moderated global capital and consumer spending, disrupted trade, increased energy costs and cautious consumer spending. Even as the global conflict remained geographically distant from India, ripples comprised increased oil import bills, cascading inflation, cautionary government and a sluggish equity market.

Global inflation was 8.7% in 2022, among the highest in decades. US consumer prices increased about 6.5% in 2022, the highest in four decades. The Federal Reserve raised its benchmark interest rate to their highest in 15 years.

Brent crude oil decreased significantly from a peak of around USD 120 per barrel in June 2022 to USD 70 per barrel at the end of the calendar year due to the availability of cheap Russian oil.

The S&P GSCI (benchmark for commodity investments and a measure of global commodity performance) fell from a peak of 4319.5 in June 2022 to 3495.76. There was a sharp decline in crude oil, natural gas, coal, lithium, lumber, cobalt, nickel and urea realisations.

| Regional growth (%)               | FY2023 | FY2022 |
|-----------------------------------|--------|--------|
| World output                      | 3.2    | 6.1    |
| Advanced economies                | 2.5    | 5      |
| Emerging and developing economies | 3.8    | 6.3    |

## Performance of major economies

- United States: Reported GDP growth of 2.1% compared to 5.9% in 2021
- China: GDP growth is expected to contract from 8.1% in 2021 to 3% in 2022.
- United Kingdom: GDP is expected to grow 4.1% in 2022 compared to 7.6% in 2021
- Japan: Reported growth of 1.6% in 2022 compared to 1.7% in 2021
- Germany: Reported GDP growth of 1.8% compared to 2.6% in 2021

(Source: PWC report, EY report, IMF data, OECD data)

## Outlook

Global real GDP growth is forecast at 2.8% in 2023 (3.2% in 2022). Global inflation is declining on the back of lower energy and food prices, which could stagger interest rate hikes by the world's major central banks. Volatility across asset classes could increase; the price correction is still incomplete in most global private and public markets; besides, much depends on the stance of US Federal Reserve related to interest rates.

## Indian economic overview

India reported an estimated economic growth of 7.2% in FY 2022-23, one of Asia's best growth rates during the period. By the close of FY 2022-23, India overtook UK to become the fifth largest global economy. India surpassed China to become the world's most populous nation.

### Growth of the Indian economy

|                     | FY 20 | FY 21 | FY 22 | FY23E |
|---------------------|-------|-------|-------|-------|
| Real GDP growth (%) | 3.7   | -6.6% | 9.1   | 7.2   |

### Growth of the Indian economy quarter by quarter, FY 2022-23

|                     | Q1FY23 | Q2FY23 | Q3FY23 | Q4FY23 |
|---------------------|--------|--------|--------|--------|
| Real GDP growth (%) | 13.1   | 6.2    | 4.5    | 6.1    |

(Source: IMF, World Bank, Budget FY24: Economy Projections, RBI projections)

India's fiscal deficit was estimated in nominal terms at ~ Rs 17.55 lakh crore and 6.4% of GDP for the year ending March 31, 2023.

India's headline foreign direct investment (FDI) numbers rose to a record \$84.8 billion in FY2021-22. However, during the fiscal year 2022-23, the country experienced a 16% decrease in foreign direct investment (FDI) inflows, amounting to \$71 billion on a gross basis. This decline can be attributed to the unfavourable global economic conditions and stands as the first contraction in FDI in the past ten years. In 2022-23, the government was estimated to have addressed 77% of its disinvestment target (Rs 50,000 crore against a target of Rs 65,000 crore).

India's foreign exchange reserves, which had witnessed three consecutive years of growth, experienced a decline of approximately \$70 billion in FY2022-23, primarily influenced by rising inflation and interest rates. Starting from \$606.47 billion on April 1, 2022, reserves decreased to \$578.44 billion by March 31, 2023. The Indian currency also weakened during this period, with the exchange rate weakening from Rs. 75.91 to a US dollar to Rs. 82.34 by March 31, 2023, driven by a stronger dollar and an increasing current account deficit. Despite these factors, India continued to attract investable capital.

The country's retail inflation, measured by the consumer price index (CPI), eased to 5.66% in March 2023. Inflation data on the Wholesale Price Index, WPI (calculates the overall price of goods before retail) eased to 1.3% during the period. In 2022, CPI hit its highest of 7.79% in April; WPI reached its highest of 15.88% in May 2022. By the close of the year under review, inflation had begun trending down and in April 2023 declined below 5%, its lowest in months.

## Outlook

India is expected to grow 6-6.5% in FY2024, catalysed in no small measure by 35% capital expenditure growth by the government. The growth could be catalysed by broad-based credit expansion, better capacity utilisation and improving trade deficits. Headline and core inflation rates could down. The private sector's investments could revive, strengthening the economy.

India is poised to sustain its outperformance. The landscape favours India: Europe is moving towards a probable recession, US economy is slowing, China's GDP growth forecast of 4.4% is less than India's GDP estimate of 6.1%, America and Europe are experiencing the highest inflation in 40 years.

India emerged as the second fastest growing G20 economy in FY 2022-23. India's production-linked incentive appeared to catalyse downstream sectors. Inflation was steady. India was at the cusp of making significant investments in renewable energy and other sectors and emerging as a suitable industrial supplement to China. India was poised to outpace Germany and Japan and emerge as the third largest economy by the end of the decade.

## Global metal casting industry overview

The metal casting industry was valued at US\$ 151.6 Billion in 2022 and is expected to reach US\$ 236.7 Billion by 2028, exhibiting a growth rate (CAGR) of 7.4% during 2023-2028. This growth is driven by the rising awareness towards numerous advantages offered by metal casting, such as improved energy efficiency, lower production costs, enhanced environmental quality, etc.

The global metal casting market can be segregated into cast iron, aluminum, steel, zinc, magnesium, among others.

The global metal casting market can be segment into automotive and transportation, equipment and machine, building and construction and aerospace and military. The automotive and transportation sector accounts for the largest market share in the metal casting industry.

Geographically, Asia-Pacific accounted for the largest share of the metal casting industry at 63.8% in 2021. This growth is attributed to countries such as India, Australia, Indonesia and Malaysia, witnessing a rapid increase in building and construction sector where metal castings are employed to provide structural supports to both residential and commercial building and construction sites, such as hotels, hospitals, homes, apartments, warehouses, showrooms, garages and offices.

(Source: Imarcgroup, Allied Market Research)

## Indian metal casting industry overview

The process of molding hot metal liquid into a hollow cavity in order to obtain a desired shape is called metal casting. Metal casting is used for the mass production of large and complex components. It can be done with non-ferrous metals such as zinc, copper, aluminium, magnesium, lead, pewter and tin-based alloys. In India, metal casting is used as a cost-efficient method to recycle wasted scrap metal.

Metal castings also form an integral part in the goods and equipment industry to produce a wide variety of home appliances, surgical instruments and critical components for aircraft and automobiles.

After China, India is the second largest producer of castings. The growth in the market is driven by the increasing industrialisation and urbanisation, giving a boost to the construction industry and growing demand for lightweight vehicles due to increase in disposable incomes.

(Source: Economic Times, imarcgroup)

## Growth drivers

**Population growth:** India has surpassed China as the world's most populous nation, fostering demand for infrastructure and housing.

**Increasing urbanisation:** As of 2021, around one-third of India's population was likely living in cities. By 2031, 75% of India's national income is expected to come from cities.

**Housing demand:** India witnessed a 34% rise in demand for houses, reaching a nine-year high, catalysing the demand for construction equipment.



**Economic growth:** India is expected to become the third largest economy in the world by 2029, owing to the increasing income which will foster demands for better facilities.

**China plus one:** Post-pandemic, a number of corporate giants are deleveraging their supply chain from China and looking for an alternate market like India.

**India's crude steel output:** India's crude steel output grew by 5.80% from 117.63 MT in 2021 to 124.45 MT in 2022.

**Construction equipment industry:** The Indian construction equipment industry, in its The 'Vision Plan 2030' proposed an action plan to help India become a manufacturing and export hub for construction equipment and boost the development of world-class infrastructure in the country.

**Indian railways:** The Indian railway witnessed a record earning of Rs 54,733 crore in the passenger segment from April 2022 to January 2023, increasing by 73% y-o-y.

(Source: Business Standard)

## Industry structure and developments of Steelcast Limited

1. **Mining industry:** Mining Sector showed a good growth during the year compared to previous year:
  - a. The domestic sector showed an outstanding performance witnessed a substantial growth in FY2022-23 compared to FY2021-22.
  - b. The export sector witnessed a growth of 114% on YoY basis.
2. **Earthmoving equipment:** In line with mining machinery industry the earthmoving industry showed a similar rise in FY2022-23.
  - a. The domestic sector grew more than 31% YoY.
  - b. The export sector witnessed a growth of 18% YoY.
3. **Construction equipment:** This industry showed positive growth in FY 2022-23 compared to FY2021-22.
  - a. The domestic market showed a YoY growth of more than 46%.
  - b. The export market showed a 29% YoY growth in FY22-23 compared to the previous year.
4. **Locomotive and railways:** With new customers and parts under development in this fiscal year and also AAR audit done and certificate expected in next three months, the company expects robust sales in the coming years. In FY 2022-23, this segment showed a YoY growth of 196%.
5. **Cement and steel sector:** This segment is expected to continue to show a steady growth
6. **Ground engaging tools (GET):** We expect a significant improvement in this sector in the coming year with the development of new customers and new parts.
7. **Partnering with Indian defence units:** The Company is making its constant endeavour to contribute to the defence of the nation by partnering with the Indian

Defence units. This effort is continuing and we expect improvement in this sector considering the Government push through schemes like Atmanirbhar Bharat, Make in India etc.

## Position of the company in the foundry market

As the world is underdoing economic slowdown, India is expected to grow at 6-6.5% GDP, due to growing consumption, increasing urbanisation, rising disposable incomes and conducive government policies.

The company has a strong presence in the mining and earthmoving industries, which have accounted for the majority of its sales. The government's investment in infrastructure and housing has indirectly boosted the demand for our products.

The company has continued to follow its strategy of deleveraging excess dependence on any particular industry by venturing into new industries and introducing new parts into existing markets. This expansion is expected to increase the company's consumer base and enable it to compete both domestically and internationally.

While there is intense competition in the foundry industry from both Indian and overseas players, the company holds a competitive edge in producing intricate steel castings due to its technological expertise and its long-term relationship with its clients, where it is given preference as a strategic supplier.

The steel casting industry in India is fragmented, with small, unorganized businesses manufacturing the product. The company ranks first in terms of production capability, product mix, number of parts developed and high-quality standards. However, entry barriers to this industry are relatively high, making it challenging for new players to enter. The company can leverage its competitive advantages such as operational efficiency, pricing and product mix to stay ahead of the competition.

## Risk management

While every business carries a certain amount of inherent risk, our company recognises the importance of actively identifying and minimising these risks. To achieve this, we have established a robust organisational risk management system that regularly scans our internal and external environment to detect potential risks and develop effective strategies to mitigate them. We also integrate these measures into our strategic plans to ensure they are implemented throughout the organisation.

Various types of risks such as geopolitical developments (e.g. war or natural calamity), travel restrictions, industry-specific risks, foreign currency volatility, client concentration, technology hazards and financial risks are just a few examples of the significant threats we face. Our company has already implemented measures to mitigate these risks at various levels of management. Additionally, we regularly review and monitor our risk mitigation plans to ensure they remain effective in protecting our business from potential threats.

## Changes in the financial performance

| Particulars  | 2022-23   | 2021-22   |
|--|-----------|-----------|
| Sales/Income from Operations   | 47,683.39 | 30,204.02 |
| Other Income   | 110.34    | 30.46     |
| Sub-Total  | 47,793.74 | 30,234.48 |
| Total Expenditure (before Interest & Depreciation)   | 36,285.86 | 23,833.91 |
| Operating Profit (EBIDTA)  | 11,507.87 | 6,400.57  |
| Operating Margin %   | 24.08%    | 21.17%    |
| Profit/(loss) After Tax  | 7,052.46  | 3,327.19  |
| Return on Capital Employed % (EBIT)<br>(ROCE = Tangible Net Worth + Total Long Term Debt + Deferred Tax Liability) | 43.64%    | 28.35%    |
| No. of months Receivables (Receivables/Sales*12)   | 1.95      | 2.99      |
| Current Ratio (Current Assets/Current Liabilities)   | 1.81      | 1.35      |
| Debt Equity Ratio (Total Debt/Shareholder's Equity)  | 0.11      | 0.40      |
| Production (in MT)   | 15,275    | 13,263    |

### Key financial ratios:

(disclosure of the following ratio changed 25% or more as compared to previous year)

| Sr. No. | Ratio                           | % change | Reason for variance   |
|---------|---------------------------------|----------|---|
| 1       | Current Ratio                   | 34.30    | Ratio improved due to better inventory and debtors control  |
| 2       | Debt- Equity Ratio              | 72.61    | Significant reduction of short term debts and increase in Net-Worth   |
| 3       | Return on Equity Ratio          | 62.74    | Overall improvement in cost control and better margins  |
| 4       | Trade Receivable Turnover Ratio | 19.46    | Debtors remained almost constant compared to last year despite the turnover of the company increased substantially. |
| 5       | Net Profit Ratio                | 34.31    | Overall improvement in cost control and better margins  |
| 6       | Return on Capital Employed      | 53.91    | Overall improvement in cost control and better margins  |
| 7       | Return on Investment            | 54.25    | Overall improvement in cost control and better margins  |

### Quality assurance:

As a company policy, we are committed to total customer satisfaction both in terms of quality and services in a healthy, safe and environmentally responsible manner. The Company is committed to:

- Deliver goods with excellent performance and at reasonable price
- Comply with applicable legal and other requirements
- Adopt programs for prevention of pollution, improving health and safety performance, resource conservation and waste reduction
- Continual improvement in our quality, environmental and occupational health and safety performance through efficient systems and procedures.

In consultation of workers, we encourage teamwork, co-operation, education and training of all our people to fulfil our commitment to quality, environmental and OH&S management system in our operations.

During 2022-23, we undertook following initiatives to further strengthen our quality parameters:

- Development of high performance coating to prevent metal mould reaction and sand fusion in heavy section casting.
- Study of oil quenchant behaviour to prevent quench crack in high strength low alloy steel.

c) Welding process layer audit has been initiated to ensure quality welding.

d) In house welding training carried out by external agency to educate welder and supervisor.

### Research and Development:

Since 1976, the Company's in-house R&D is recognized by DSIR (Department of Scientific and Industrial Research). The Company is involved in manufacturing high quality products through R&D activities across product development, technology up-gradations and process improvements. The R&D team has hands-on foundry experience that combine with in-depth knowledge of latest metallurgy and foundry technology. The department is equipped with state-of-the-art equipment with digital calculations to monitor mechanical and chemical testing results having NABL Accreditation. A modern version of software to simulate solidification of casting and role of process parameters in heat treatment is being utilized for new product development. Dedicated sets of equipment are installed to carry out testing of different sands including resin coated and no-bake sands and test critical parameters of quenching media (water and polymer). A strong sub-section in R&D allows us to do complete failure analysis and give latest technical inputs based on fractography and SEM/EDS report.

Our constant innovation in R&D have allowed us to maintain ever -increasing demand of high-end products by global



customers, especially in the high strength materials. Our initiatives have helped us win orders for items requiring import substitution with international specifications through pilot batches mechanism followed by bulk orders.

Going ahead, the Company will further undertake the following R&D strengthening initiatives:

- a) To develop heat treatment simulation skill to predict mechanical properties in heavy section casting
- b) To Study feasibility of re-use of burnt sand to minimize sand disposal.
- c) To develop in house Ferro alloy checking facility to comply incoming material quality standard.
- d) Development of high strength welds alloy and technique for austenitic Manganese steel.
- e) Development of thermal insulation coating in heat treatment furnace for energy conservation.

### Human resources and industrial resources

At our company, we prioritize attracting and retaining top talent to create an engaging work environment that encourages innovation. We believe in rewarding continuous learning, collaboration and development, which helps us remain future-ready and adapt to the ever-changing market realities. We consider our employees as our most valuable asset and strive to empower them through our processes, allowing for creative approaches to add value.

We maintain a strong relationship with our employees, emphasizing safe work practices and productivity improvement. Our company employs over 887 individuals directly and we are aware of our corporate reputation and the positive impact we can have by focusing on environmental, health and safety (EHS) aspects.

We have set high standards in EHS management, recognizing the importance of these aspects in our operations. We have established comprehensive indicators to track our performance in these areas and we are committed to continuously improving our practices. We value the safety of our employees above all else and we constantly strive to maintain a safe workplace by raising the bar in this regard.

### Internal control system

Your Company has an adequate and effective Internal Control Mechanism in place to ensure efficient conduct of its operations, security of assets, prevention and detection of frauds/errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information as per its Management Information System (MIS). These controls have been designed to provide reasonable assurance about maintaining proper accounting controls for ensuring the reliability of financial reporting, monitoring of operations and protecting assets from unauthorized use or losses, compliance with regulations.

The Company has continued its efforts to align all its processes and controls with global best practices.

Apart from strong internal control, your Company has also appointed external and independent Audit Firms as its Internal auditors for periodical checking and monitoring of the Internal Control Measures for its plants. Internal Auditors are present at the Audit Committee Meetings Where Internal Audit Reports are discussed alongside management comments and the findings and observation of the Internal Auditors. The Terms of Reference of the Audit Committee inter alia include reviewing the adequacy of the internal control environment, monitoring implementation of the action plans emerging out of Internal Audit findings including those relating to the strengthening of the Company's Risk Management Systems and discharge of statutory mandates.

Your Company has a Comprehensive Budgetary Control System in operation and its' Key Performance Indicators (KPI) are set for all-important operational parameters. These are monitored and reviewed regularly by the management in Management Committee Meetings, which are chaired by the Executive Director of the Company and participated by all departmental heads and necessary corrective and preventive actions are being initiated.

### Cautionary statement

Statement in this "Management Discussion and Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand and supply conditions, finished goods prices, input materials availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, based on any subsequent development, information or events or otherwise.

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

**(Chetan M Tamboli)**

Place: Bhavnagar  
Date : 23rd May, 2023

Chairman & Managing Director  
DIN: 00028421



# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity :

|    |   |  |
|----|---|--|
| 1  | Corporate Identity Number (CIN) of the Listed Entity  | L27310GJ1972PLC002033  |
| 2  | Name of the Listed Entity   | STEELCAST LIMITED  |
| 3  | Year of incorporation   | 1972   |
| 4  | Registered office address   | Ruvapari Road, Bhavnagar 364005, Gujarat, India  |
| 5  | Corporate address   | Ruvapari Road, Bhavnagar 364005, Gujarat, India  |
| 6  | E-mail  | info@steelcast.net   |
| 7  | Telephone   | (91) (278) 251 9062  |
| 8  | Website   | https://www.steelcast.net  |
| 9  | Financial year for which reporting is being done  | 2022-23  |
| 10 | Name of the Stock Exchange(s) where shares are listed   | (i) National Stock Exchange of India Limited (NSE)<br>(ii) BSE Limited (BSE)   |
| 11 | Paid-up Capital   | Rs. 101,200,000  |
| 12 | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report  | Mr. Subhash Sharma,<br>Executive Director & Chief Financial Officer,<br>M/s. Steelcast Limited<br>Ruvapari Road<br>Bhavnagar 364005, Gujarat, India<br>Phone No. : (91) (278) 251 9062<br>E-mail: ss@steelcast.net ,<br>cs@steelcast.net |
| 13 | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together) | Disclosures under this report are made on a standalone basis   |

### II. Products/services

#### 14. Details of business activities (accounting for 90% of the turnover):

| S. No. | Description of Main Activity | Description of Business Activity           | % of Turnover of the entity |
|--------|------------------------------|--|-----------------------------|
| 1      | Manufacturing                | Manufacturing of Steel and Alloys Castings | 100                         |

#### 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

| S. No. | Product/Service         | NIC Code                                  | % of total Turnover contributed |
|--------|-------------------------|---|---------------------------------|
| 1      | Steel & Alloys Castings | 24319<br>(2008 NIC Code at 5 digit level) | 100                             |

### III. Operations

#### 16. Number of locations where plants and/or operations/offices of the entity are situated:

| Location | Number of plants | Number of offices | Total                               |
|----------|------------------|-------------------|-------------------------------------|
| National | One              | One               | One (Both are at one location only) |

**17. Markets served by the entity:**
**a. Number of locations**

| Locations                        | Number       |
|----------------------------------|--------------|
| National (No. of States)         | 8 States     |
| International (No. of Countries) | 10 Countries |

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

Exports contribute 60.00% of total turnover.

**c. A brief on types of customers:**

We are supplying 100% to OEMs where there are stringent quality requirements. We are catering to various industries like Earth Moving, Mining, Construction, Cement, Rail Road, Locomotives, Transportation, GETs, Defence etc. In domestic and international market, Steelcast's customer ranges from Government to Original Equipment Manufacturers (OEMs) companies.

**IV. Employees**
**18. Details as at the end of Financial Year: 2022-23**
**a. Employees and workers (including differently abled):**

| S. No.                                | Particulars              | Total (A) | Male    |           | Female  |           |
|---------------------------------------|--------------------------|-----------|---------|-----------|---------|-----------|
|                                       |                          |           | No. (B) | % (B / A) | No. (C) | % (C / A) |
| <b>EMPLOYEES (Other Than Workers)</b> |                          |           |         |           |         |           |
| 1.                                    | Permanent (D)            | 235       | 235     | 100       | -       | -         |
| 2.                                    | Other than Permanent (E) | 118       | 118     | 100       | -       | -         |
| 3.                                    | Total employees (D + E)  | 353       | 353     | 100       | -       | -         |
| <b>WORKERS</b>                        |                          |           |         |           |         |           |
| 4.                                    | Permanent (F)            | 193       | 193     | 100       | -       | -         |
| 5.                                    | Other than Permanent (G) | 359       | 359     | 100       | -       | -         |
| 6.                                    | Total workers (F + G)    | 552       | 552     | 100       | -       | -         |

**b. Differently abled Employees and workers:**

| S. No.                             | Particulars                               | Total (A) | Male    |           | Female  |           |
|------------------------------------|---|-----------|---------|-----------|---------|-----------|
|                                    |   |           | No. (B) | % (B / A) | No. (C) | % (C / A) |
| <b>DIFFERENTLY ABLED EMPLOYEES</b> |   |           |         |           |         |           |
| 1.                                 | Permanent (D)                             | 2         | 2       | 100       | --      | --        |
| 2.                                 | Other than Permanent (E)                  | 1         | 1       | 100       | --      | --        |
| 3.                                 | Total differently abled employees (D + E) | 3         | 3       | 100       | --      | --        |
| <b>DIFFERENTLY ABLED WORKERS</b>   |   |           |         |           |         |           |
| 4.                                 | Permanent (F)                             | 5         | 5       | 100       | --      | --        |
| 5.                                 | Other than Permanent (G)                  | 2         | 2       | 100       | --      | --        |
| 6.                                 | Total differently abled workers (F + G)   | 7         | 7       | 100       | --      | --        |

**19. Participation/Inclusion/Representation of women**

| Particulars              | Total (A) | No. and percentage of Females |           |
|--------------------------|-----------|-------------------------------|-----------|
|                          |           | No. (B)                       | % (B / A) |
| Board of Directors       | 10        | 1                             | 10        |
| Key Management Personnel | 4         | --                            | --        |

**20. Turnover rate for permanent employees and workers**

(Disclose trends for the past 3 years)

|                   | FY 2022-23<br>(Turnover rate in current FY) |        |       | FY 2021-22<br>(Turnover rate in previous FY) |        |       | FY 2020-21<br>(Turnover rate in the year prior to the previous FY) |        |       |
|-------------------|---|--------|-------|--|--------|-------|--|--------|-------|
|                   | Male  | Female | Total | Male   | Female | Total | Male   | Female | Total |
|                   | Permanent Employees                         | 1.09   | --    | 1.09   | 1.03   | --    | 1.03   | 1.73   | --    |
| Permanent Workers | 1.72  | --     | 1.72  | 1.46   | --     | 1.46  | 5.19   | --     | 5.19  |

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

### 21. (a) Names of holding / subsidiary / associate companies / joint ventures

| S. No.         | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|----------------|---|--|-----------------------------------|--|
| Not Applicable |   |  |                                   |  |

## VI. CSR Details

### 22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No):

Yes,

|                                | 2022-23   | 2021-22   |
|--------------------------------|-----------|-----------|
| (ii) Turnover (in Rs. Lakhs)   | 47,793.74 | 30,234.48 |
| (iii) Net worth (in Rs. Lakhs) | 21,520.56 | 15,655.41 |

## VII. Transparency and Disclosures Compliances

### 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)  | FY 2022-23<br>Current Financial Year       |  |         | FY 2021-22<br>Previous Financial Year      |  |         |
|---|---|--|--|---------|--|--|---------|
|   |   | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities                                       | Yes, a mechanism is in place with community to interact with them to address their concerns if any. <a href="https://www.steelcast.net/contact-steelcast.asp">https://www.steelcast.net/contact-steelcast.asp</a> | Nil  | Nil  | Nil     | Nil  | Nil  | Nil     |
| Investors (other than shareholders)               | Yes; <a href="https://www.steelcast.net/investor-contact.html">https://www.steelcast.net/investor-contact.html</a>  | Nil  | Nil  | Nil     | Nil  | Nil  | Nil     |
| Shareholders                                      | Yes; <a href="https://www.steelcast.net/contact-steelcast.asp">https://www.steelcast.net/contact-steelcast.asp</a>  | One  | Nil  | Nil     | Nil  | Nil  | Nil     |
| Employees and workers                             | Yes (Internal System)   | Nil  | Nil  | Nil     | Nil  | Nil  | Nil     |
| Customers   | Yes (Internal System)   | Nil  | Nil  | Nil     | Nil  | Nil  | Nil     |
| Value Chain Partners                              | Yes; <a href="https://www.steelcast.net/contact-steelcast.asp">https://www.steelcast.net/contact-steelcast.asp</a>  | Nil  | Nil  | Nil     | Nil  | Nil  | Nil     |
| Other (please specify)                            | --  | Nil  | Nil  | Nil     | Nil  | Nil  | Nil     |

**24. Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

| S. No. | Material issue identified        | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity   | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications)  |
|--------|----------------------------------|--|--|--|---|
| 1      | Circular Economy                 | Opportunity                                | Focus on recycling of water and sand used in the production process to net zero discharge  | --   | Recycling reduces cost of the inputs and add to the profitability of the organization   |
| 2      | Climate Change                   | Opportunity                                | Focus on reduction of carbon emission. Enhancement of renewable energy and reduction of consumption of fossil fuels  | --   | Carbon foot print assessment report got from third parties and targets for Scope 1 and 2 are set. The company put its resources towards green field activities for sustainable climate. |
| 3      | Health & Safety                  | Opportunity                                | Focus on Safe working environment, zero harm, safety assessment and audits, safety data compilation helps company to provide better and healthy place to work  | --   | The work force while working in safe and healthy environment works with full potential and enhanced productivity, help the company to achieve higher output volumes.                    |
| 4      | Energy Efficiency                | Opportunity                                | Energy efficiency through process efficiency equipment, cleaner fuels and increment of mix of renewable energy keep the environment healthy and pollution free   | --   | This helps the company to reduce waste generation and discharge thereof cost. This also increases brand value of the company.   |
| 5      | Customer Engagement              | Opportunity                                | We are a customer-centric organization. We regularly engage with customers to meet their needs of value added products and ensure responsive services. Initiatives like meets with senior leaders and joint business development plans are undertaken to collaboratively grow businesses. These efforts help maximize customer satisfaction and ensure higher retention                                    | --   | This increases retention of customers and business continuity and growth.   |
| 6      | Community relations & engagement | Opportunity                                | We maintain amicable relations with the communities near our plants. We ensure that our operations do not in any way cause harm to them or to the local biodiversity. We are undertaking efforts to improve their socio-economic standards including creating livelihood opportunities, targeting health and wellbeing and encouraging education. Support is also provided during any kind of emergencies. | --   | This helps to keep the relations with community healthy and business work is conducted smoothly without any hindrances which increases the business volumes.                            |
| 7      | Human capital development        | Opportunity                                | In a challenging and evolving landscape, it is essential to have people with right and future-ready skills. We run skill development Centre in the company premises affiliated to Gujarat State Development Mission to achieve this..  | --   | This fills the gap of skill deficit and helps the company have ready skilled man power which increase productivity.   |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity  | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------|--|---|--|--|
| 8      | Ethics & Governance       | Opportunity                                | Our stakeholders trust us and associate with us because of our reputation of integrity and ethical practices. We engage with all our supply chain partners on such policies including those relating to anti-bribery & anti-corruption and sexual harassment. We are constantly benchmarking ourselves best practices of industry and frameworks to strengthen our governance practices | --   | Good ethical and governance practices always enhance the brand value of the company.           |
| 9      | Employee Engagement       | Opportunity                                | Highly engaged employees are committed to the organization and keen to take up responsibility. We achieve this through programmes on health, safety and wellness, and also by appropriately rewarding and recognizing their contributions.  |  | Employee satisfaction increases productivity.  |

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

**P1**-Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable

**P2** - Businesses should provide goods and services in a manner that is sustainable and safe

**P3** - Businesses should respect and promote the well-being of all employees, including those in their value chains

**P4** - Businesses should respect the interests of and be responsive to all its stakeholders

**P5** - Businesses should respect and promote human rights

**P6** - Businesses should respect and make efforts to protect and restore the environment

**P7** - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

**P8** - Businesses should promote inclusive growth and equitable development

**P9** - Businesses should engage with and provide value to their consumers in a responsible manner

| Disclosure Questions   | P1  | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|---|----|----|----|----|----|----|----|----|
| <b>Policy and management processes</b>   |   |    |    |    |    |    |    |    |    |
| 1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Y   | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| b. Has the policy been approved by the Board? (Yes/No)   | Y   | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| c. Web Link of the Policies, if available  | <a href="https://www.steelcast.net/pdf/general-code-conduct.pdf">https://www.steelcast.net/pdf/general-code-conduct.pdf</a> |    |    |    |    |    |    |    |    |
| 2. Whether the entity has translated the policy into procedures. (Yes / No)                                    | Y   | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No)                                      | Y   | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |



| Disclosure Questions  | P1  | P2  | P3   | P4  | P5   | P6   | P7 | P8 | P9 |  |    |    |    |    |    |    |    |    |
|---|---|---|--|---|--|--|----|----|----|--|----|----|----|----|----|----|----|----|
| 4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | 1. 1st Steel Foundry in India to get ISO:9002 Certification;  | 2. An ISO:9001-2015 Company certified by TUV NORD, Germany (for Quality); | 3. An ISO:14001-2015 Company certified by TUV NORD, Germany (for Environment); | 4. An ISO 45001:2018 Company certified by TUV NORD, Germany (for Occupational Health & Safety); | 5. An EN 9100:2018 certified by TUV NORD, Germany (for Aerospace); | 6. Transport & Power Generation (TPG, USA) Certification |    |    |    |  |    |    |    |    |    |    |    |    |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any.  | --  | --  | --   | --  | --   | --   | -- | -- | -- |  |    |    |    |    |    |    |    |    |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.   | --  | --  | --   | --  | --   | --   | -- | -- | -- |  |    |    |    |    |    |    |    |    |
| <b>Governance, leadership and oversight</b>   |   |   |  |   |  |  |    |    |    |  |    |    |    |    |    |    |    |    |
| 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure):                                    | <p>The Company is committed to follow environmental, social and governance (ESG) principles into its businesses which is essential to improving the quality of life of the communities it serves. The environmental impacts cover Climate, Resources (Energy &amp; Water), Waste Management and Nature. The Company has set targets to reduce its carbon emission (scope 1 &amp; 2). The Company is committed to conducting beneficial and fair business practices to the labour, human capital and to the community. It provides employees and business associates with working conditions that are clean, safe, healthy and fair. It strives to be neighbour of choice in the communities in which it operates and contributes to their equitable and inclusive development. To deliver these commitments, the Company has separate CSR Policy.</p> |   |  |   |  |  |    |    |    |  |    |    |    |    |    |    |    |    |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).   | Mr. Chetan M Tamboli, Managing Director (DIN : 00028421) under the guidance of the Board of Directors and its Committees is responsible for implementation and oversight of the Business Responsibility policies.   |   |  |   |  |  |    |    |    |  |    |    |    |    |    |    |    |    |
| 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.   | Yes, the Company has a Board level Risk Management Committee. This Committee provides Valuable direction and guidance to the Management.  |   |  |   |  |  |    |    |    |  |    |    |    |    |    |    |    |    |
|   | <b>Members/Designation/DIN</b><br>1. Mr. Harsh R Gandhi - Chairperson - 00133091<br>2. Mr Rushil C Tamboli - Alternate Chairperson - 07807971<br>3. Mr Chetan M Tamboli - Member - 00028421<br>4. Mr Ashutosh H Shukla - Member - 02544350<br>5. Mr Subhash Sharma - Member - 07871467  |   |  |   |  |  |    |    |    |  |    |    |    |    |    |    |    |    |
| 10. Details of Review of NGRBCs by the Company:   |   |   |  |   |  |  |    |    |    |  |    |    |    |    |    |    |    |    |
| Subject of Review   | Indicate whether review was undertaken by Director / Committee of the Board / Any Other Committee   |   |  |   |  |  |    |    |    | Frequency (Annually / Half Yearly / Quarterly /Any other – please specify) |    |    |    |    |    |    |    |    |
|   | P1  | P2  | P3   | P4  | P5   | P6   | P7 | P8 | P9 | P1   | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies and follow up action   | As a practice, Business Responsibility policies of the Company are reviewed periodically or on a need basis by Senior Leadership Team including Managing Director/Chief Financial Officer. During this assessment, the efficacy of the policies is reviewed and necessary changes to policies and procedures are implemented.   |   |  |   |  |  |    |    |    |  |    |    |    |    |    |    |    |    |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances  | The Company is in compliance with the existing regulations as applicable and a Statutory Compliance Certificate on applicable laws is provided by the Managing Director/Chief Financial Officer to the Board of Directors.  |   |  |   |  |  |    |    |    |  |    |    |    |    |    |    |    |    |

|   |   |   |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---|---|---|
| 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.   | P | P | P | P | P | P | P | P | P |
|   | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| The Company conducts periodic review of the charters, policies internally by the Senior Management and Managing Director which then drives the policies, projects and performance of the aspects of business responsibility and sustainability. |   |   |   |   |   |   |   |   |   |

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

| Questions   | P  | P  | P  | P  | P  | P  | P  | P  | P  |
|---|----|----|----|----|----|----|----|----|----|
|   | 1  | 2  | 3  | 4  | 5  | 6  | 7  | 8  | 9  |
| The entity does not consider the Principles material to its business (Yes/No)   | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No)                         | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| It is planned to be done in the next financial year (Yes/No)  | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Any other reason (please specify)   | -- | -- | -- | -- | -- | -- | -- | -- | -- |

### SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**Essential Indicators**

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

| Segment  | Total number of training and awareness programmes held  | Topics /principles covered under the training and its impact                               | %age of persons in respective category covered by the awareness programmes |
|--|---|--|--|
| Board of Directors<br>Key Managerial Personnel | During the year, the Board of Directors of the Company (including its Committees) has invested time on various updates comprising matters relating to an array of issues pertaining to the business, regulations, economy and environmental, social and governance parameters |  | 100%   |
| Employees other than BoD and KMPs              | 31  | Technical, functional, safety, managerial & behavioral topics in line with nine principles | 94%  |
| Workers  | 114   | Technical, functional, safety, topics in line with nine principles                         | 92%  |

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

| <b>Monetary</b>     |                 |   |                 |                   |   |
|---------------------|-----------------|---|-----------------|-------------------|---|
|                     | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (In INR) | Brief of the Case | Has an appeal been preferred ? (Yes/No) |
| Penalty/ Fine       | NIL             | NIL   | NIL             | NIL               | NIL                                     |
| Settlement          | NIL             | NIL   | NIL             | NIL               | NIL                                     |
| Compounding fee     | NIL             | NIL   | NIL             | NIL               | NIL                                     |
| <b>Non-Monetary</b> |                 |   |                 |                   |   |
|                     | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions |                 | Brief of the Case | Has an appeal been preferred? (Yes/No)  |
| Imprisonment        | NIL             | NIL   | NIL             | NIL               |   |
| Punishment          | NIL             | NIL   | NIL             | NIL               |   |

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details | Name of the regulatory /enforcement agencies / judicial institutions |
|--------------|--|
| NIL          | NIL  |

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company does have the Anti Bribery & Anti- Corruption policy built into General Code of Conduct policy of the company. The Company has also adopted a Whistle-blower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism. No personnel of the Company have been denied access to the Chairperson of the Audit Committee. <https://www.steelcast.net/pdf/whistle-blower-policy.pdf>. <https://www.steelcast.net/pdf/general-code-conduct.pdf>.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption: NIL

| Particulars | 2022-23                  | 2021-22                   |
|-------------|--------------------------|---------------------------|
|             | (Current Financial Year) | (Previous Financial Year) |
| Directors   | NIL                      | NIL                       |
| KMPs        | NIL                      | NIL                       |
| Employees   | NIL                      | NIL                       |
| Workers     | NIL                      | NIL                       |

6. Details of complaints with regard to conflict of interest:

| Particulars  | 2022-23                  |         | 2021-22                   |         |
|--|--------------------------|---------|---------------------------|---------|
|  | (Current Financial Year) |         | (Previous Financial Year) |         |
|  | Number                   | Remarks | Number                    | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | NIL                      | NIL     | NIL                       | NIL     |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      | NIL                      | NIL     | NIL                       | NIL     |



7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. Not Applicable

#### Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

| Total number of awareness programmes held | Topics / principles covered under the training | %age of value chain partners covered (by value of business done with such partners) under the awareness programmes. |
|---|--|---|
| NIL                                       | NIL  | NIL   |

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, every Director of the Company discloses his/her concern or interest in the Company or companies or bodies corporate, firms or other association of individuals and any change therein, annually or upon any change, which includes the shareholding. Further, a declaration is also taken annually from the Directors under the Code of Conduct confirming that they will always act in the interest of the Company and ensure that any other business or personal association which they may have, does not involve any conflict of interest with the operations of the Company and the role therein. The Senior Management also affirms annually that they have not entered into any material, financial and commercial transactions, which may have a potential conflict with the interest of the Company at large. In the Meetings of the Board, the Directors abstain from participating in the items in which they are concerned or interested.

#### PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

##### Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

|                        | FY 2022-23<br>(Current<br>Financial Year) | FY 2021-22<br>(Previous<br>Financial Year) | Details of improvements in environmental and social impacts |
|------------------------|---|--|---|
| R&D % (Rs. In Lakhs)   | Nil                                       | Nil  | Nil   |
| Capex % (Rs. In Lakhs) | 16.86% (874.70)                           | 15.27 % (446.00)                           | Equipment purchased for energy conservation                 |

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

- b. If yes, what percentage of inputs were sourced sustainably? .

The input material and stores & Spares are sourced from various suppliers which are certified and compliant with standards such as ISO 14001, OHSAS 18801 etc

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Steelcasting products falls under capital goods category and mostly have very long life of more than 15 years. After end of fruitful life of capital goods they become unfit and again re-melted and recycled 100% without any waste.

- (a) **Plastics (including packaging)** – Any packing material received in with inwards input materials are disposed-off as is where is basis through contracting process.

- (b) **E-waste** – No e-waste is generated in-house and computer and its components waste is handed over to certified vendors for safe disposal.

- (c) **Hazardous waste & Other waste** – Hazardous waste not generated and other waste is handed over to certified vendors for safe disposal.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable

**Leadership Indicators**

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

| NIC Code   | Name of Product /Service | % of total Turnover contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No)<br>If yes, provide the web-link. |
|--|--------------------------|---------------------------------|--|---|---|
| No, company has not conducted Life Cycle Assessments for products. |                          |                                 |  |   |   |

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

| Name of the Product / Service | Description of the risk / concern | Action Taken |
|-------------------------------|-----------------------------------|--------------|
| NIL                           | NIL                               | NIL          |

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

| Indicate Input Material | Recycled or re-used input material to total material |   |
|-------------------------|--|---|
|                         | FY 2022-23<br>(Current Financial Year)               | FY.2021-22<br>(Previous Financial Year) |
| Sand                    | 82.60%   | 75.35%                                  |

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

|                 | FY 2022-23<br>(Current Financial Year) |          |                 | FY 2021-22<br>(Previous Financial Year) |          |                 |
|-----------------|--|----------|-----------------|---|----------|-----------------|
|                 | Re-used                                | Recycled | Safely Disposed | Re-used                                 | Recycled | Safely Disposed |
|                 | Plastic (including packaging)          | NIL      | NIL             | NIL                                     | NIL      | NIL             |
| E-waste         | NIL                                    | NIL      | NIL             | NIL                                     | NIL      | NIL             |
| Hazardous waste | NIL                                    | NIL      | NIL             | NIL                                     | NIL      | NIL             |
| Other waste     | NIL                                    | NIL      | NIL             | NIL                                     | NIL      | NIL             |

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

| Indicate product category   | Reclaimed products and their packaging materials as % of total products sold in respective category             |
|---|---|
| Such material comes to the Disposal yard of the material department and disposed-off as is where is basis through contracting process to GPCB approved vendors. | The company does not sell the reclaimed products. Reclaimed products are only inputs for making final products. |

**PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains**

**Essential Indicators**

1. a. Details of measures for the well-being of employees:

|                            | Total<br>(A) | Health Insurance |              | Accident Insurance |              | Maternity benefits |            | Paternity benefits |            | Day Care facilities |            |
|----------------------------|--------------|------------------|--------------|--------------------|--------------|--------------------|------------|--------------------|------------|---------------------|------------|
|                            |              | Number<br>(B)    | %<br>(B / A) | Number<br>(C)      | %<br>(C / A) | Number<br>(D)      | %<br>(D/A) | Number<br>(E)      | %<br>(E/A) | Number<br>(F)       | %<br>(F/A) |
| <b>Permanent Employees</b> |              |                  |              |                    |              |                    |            |                    |            |                     |            |
| Male                       | 235          | 27               | 11.49        | 158                | 67.23        | --                 | --         | --                 | --         | --                  | --         |
| Female                     | --           | --               | --           | --                 | --           | --                 | --         | --                 | --         | --                  | --         |
| <b>Total</b>               | <b>235</b>   | <b>27</b>        | <b>11.49</b> | <b>158</b>         | <b>67.23</b> | <b>--</b>          | <b>--</b>  | <b>--</b>          | <b>--</b>  | <b>--</b>           | <b>--</b>  |

|                                       | Total<br>(A) | Health Insurance  |              | Accident Insurance |              | Maternity benefits |            | Paternity benefits |            | Day Care facilities |            |
|---------------------------------------|--------------|---|--------------|--------------------|--------------|--------------------|------------|--------------------|------------|---------------------|------------|
|                                       |              | Number<br>(B)   | %<br>(B / A) | Number<br>(C)      | %<br>(C / A) | Number<br>(D)      | %<br>(D/A) | Number<br>(E)      | %<br>(E/A) | Number<br>(F)       | %<br>(F/A) |
| <b>Other than Permanent Employees</b> |              |   |              |                    |              |                    |            |                    |            |                     |            |
| Male                                  | 118          | Registered with Employees State Insurance Corporation which provides health care services |              |                    |              |                    |            |                    |            |                     |            |
| Female                                | --           | --  | --           | --                 | --           | --                 | --         | --                 | --         | --                  | --         |
| <b>Total</b>                          | <b>118</b>   | --  | --           | --                 | --           | --                 | --         | --                 | --         | --                  | --         |

**b. Details of measures for the well-being of workers:**

|                                     | Total<br>(A) | Health Insurance  |              | Accident Insurance |              | Maternity benefits |            | Paternity benefits |            | Day Care facilities |            |
|-------------------------------------|--------------|---|--------------|--------------------|--------------|--------------------|------------|--------------------|------------|---------------------|------------|
|                                     |              | Number<br>(B)   | %<br>(B / A) | Number<br>(C)      | %<br>(C / A) | Number<br>(D)      | %<br>(D/A) | Number<br>(E)      | %<br>(E/A) | Number<br>(F)       | %<br>(F/A) |
| <b>Permanent workers</b>            |              |   |              |                    |              |                    |            |                    |            |                     |            |
| Male                                | 193          | Registered with Employees State Insurance Corporation which provides health care services |              |                    |              |                    |            |                    |            |                     |            |
| Female                              | --           | --  | --           | --                 | --           | --                 | --         | --                 | --         | --                  | --         |
| <b>Total</b>                        | <b>193</b>   | --  | --           | --                 | --           | --                 | --         | --                 | --         | --                  | --         |
| <b>Other than Permanent workers</b> |              |   |              |                    |              |                    |            |                    |            |                     |            |
| Male                                | 359          | Registered with Employees State Insurance Corporation which provides health care services |              |                    |              |                    |            |                    |            |                     |            |
| Female                              | --           | --  | --           | --                 | --           | --                 | --         | --                 | --         | --                  | --         |
| <b>Total</b>                        |              | --  | --           | --                 | --           | --                 | --         | --                 | --         | --                  | --         |

**2. Details of retirement benefits, for Current FY and Previous Financial Year.**

| Benefits                | FY 2022-23<br>(Current Financial Year)             |  |  | FY 2021-22<br>(Previous Financial Year)            |  |  |
|-------------------------|--|--|--|--|--|--|
|                         | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF                      | 100%   | 100%   | Y  | 100%   | 100%   | Y  |
| Gratuity                | 100%   | 100%   | Y  | 100%   | 100%   | Y  |
| ESI                     | 100%   | 100%   | Y  | 100%   | 100%   | Y  |
| Others – please specify | --   | --   | --   | --   | --   | --   |

**3. Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Our working location is accessible for differently-abled employees.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, <https://www.steelcast.net/pdf/general-code-conduct.pdf>. The Company also has an internal policy under the heading "Non Discrimination & Harassment Policy" dated 1.1.2008 which is followed in letter and spirit.

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

| Gender       | Permanent Employees |                | Permanent workers   |                |
|--------------|---------------------|----------------|---------------------|----------------|
|              | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male         | NIL                 | NIL            | NIL                 | NIL            |
| Female       | NIL                 | NIL            | NIL                 | NIL            |
| <b>Total</b> | NIL                 | NIL            | NIL                 | NIL            |

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

|                                | Yes/No (If Yes, then give details of the mechanism in brief)   |
|--------------------------------|--|
| Permanent workers              | Yes, The company has laid down policy on this under the heading “Guidelines for handling Grievances of Employees” dated 1.1.2008. The above said employees of all categories escalate their grievances through the Matrix as under:<br>1st Stage: Next Superior Officer<br>2nd Stage: Plant/Dept Head<br>3rd Stage: Director Level: Resolution of Grievances |
| Other than Permanent workers   |  |
| Permanent employees            |  |
| Other than Permanent employees |  |

**7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

| Category                         | FY 2022-23<br>(Current Financial Year)               |  |           | FY 2021-22<br>(Previous Financial Year)              |   |           |
|----------------------------------|--|--|-----------|--|---|-----------|
|                                  | Total employees / workers in respective category (A) | No. of employees / Workers in respective category, who are part of association(s) or Union (B) | % (B / A) | Total employees / workers in respective category (C) | No. of employees/ workers in respective category, who are part of association(s) or Union (D) | % (D / C) |
| <b>Total Permanent Employees</b> |  |  |           |  |   |           |
| - Male                           | 353  | 0  | 0         | 316  | 0   | 0         |
| - Female                         | 0  | 0  | 0         | 0  | 0   | 0         |
| <b>Total Permanent workers</b>   |  |  |           |  |   |           |
| - Male                           | 552  | 552  | 100       | 571  | 571   | 100       |
| - Female                         | 0  | 0  | 0         | 0  | 0   | 0         |

**8. Details of training given to employees and workers:**

| Category | FY 2022-23<br>(Current Financial Year) |                               |           |                   |           | FY 2021-22<br>(Previous Financial Year) |                               |           |                   |           |
|----------|--|-------------------------------|-----------|-------------------|-----------|---|-------------------------------|-----------|-------------------|-----------|
|          | Total (A)                              | On Health and Safety measures |           | On Skill Updation |           | Total (D)                               | On Health and Safety measures |           | On Skill Updation |           |
|          |  | No. (B)                       | % (B / A) | No. (C)           | % (C / A) |   | No. (E)                       | % (E / D) | No. (F)           | % (F / D) |
|          | <b>Employees</b>                       |                               |           |                   |           |   |                               |           |                   |           |
| Male     | 5,43,736                               | 1,449                         | 0.27      | 7,996             | 1.47      | 4,42,619                                | 1,247                         | 0.28      | 3,232             | 0.73      |
| Female   | 0                                      | 0                             | 0         | 0                 | 0         | 0                                       | 0                             | 0         | 0                 | 0         |
| Total    | 5,43,736                               | 1,449                         | 0.27      | 7,996             | 1.47      | 4,42,619                                | 1,247                         | 0.28      | 3,232             | 0.73      |
|          | <b>Workers</b>                         |                               |           |                   |           |   |                               |           |                   |           |
| Male     | 1,16,261                               | 1,542                         | 0.13      | 9,413             | 0.81      | 8,57,109                                | 1,448                         | 0.17      | 5,670             | 0.66      |
| Female   | 0                                      | 0                             | 0         | 0                 | 0         | 0                                       | 0                             | 0         | 0                 | 0         |
| Total    | 1,16,261                               | 1,542                         | 0.13      | 9,413             | 0.81      | 8,57,109                                | 1,448                         | 0.17      | 5,670             | 0.66      |

9. Details of performance and career development reviews of employees and worker:

| Benefits       | FY 2022-23<br>(Current Financial Year) |            |              | FY 2021-22<br>(Previous Financial Year) |            |              |
|----------------|--|------------|--------------|---|------------|--------------|
|                | Total (A)                              | No. (B)    | % (B / A)    | Total (C)                               | No. (D)    | % (D / C)    |
|                | <b>Employees</b>                       |            |              |   |            |              |
| Male           | 353                                    | 295        | 83.56        | 316                                     | 255        | 80.67        |
| Female         | 0                                      | 0          | 0            | 0                                       | 0          | 0            |
| <b>Total</b>   | <b>353</b>                             | <b>295</b> | <b>83.56</b> | <b>316</b>                              | <b>255</b> | <b>80.67</b> |
| <b>Workers</b> |  |            |              |   |            |              |
| Male           | 552                                    | 550        | 99.64        | 571                                     | 562        | 98.42        |
| Female         | 0                                      | 0          | 0            | 0                                       | 0          | 0            |
| <b>Total</b>   | <b>552</b>                             | <b>550</b> | <b>99.64</b> | <b>571</b>                              | <b>562</b> | <b>98.42</b> |

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, OHSMS is implemented across the company. Each and every employee of the company is covered under the Occupational Health and Safety Management System and the system is applicable at all the work places.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Company has processes to identify the work-related hazards and assess risks on routine and non-routine basis.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, a process is in place for workers to report work related hazards and to remove themselves from such risks. There is a system for carrying out Unsafe Act only with work permit from the safety officer. Safety officer ensures that all the safety measures are taken before putting a worker on work. Workers are trained to observe any of such work-related hazards and inform the same through the mode available at their respective work premises. Further, systems are established to remove all these hazards and risks.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, employees and workers have access to non-occupational medical and healthcare services offered through Employee State Insurance Corporation operated health care centers. The employees who are beyond the scope of ESI, are separately covered under Group Personal Accident policy. The executives of managerial category are covered under medical insurance policy for self & spouse.

11. Details of safety related incidents, in the following format:

| Safety Incident/Number   | Category  | FY 2022-23             | FY 2021-22              |
|--|-----------|------------------------|-------------------------|
|  |           | Current Financial Year | Previous Financial year |
| Lost Time Injury Frequency Rate (LTIFR)<br>(per one million-person hours worked) | Employees | NIL                    | NIL                     |
|  | Workers   | NIL                    | NIL                     |
| Total recordable work-related injuries   | Employees | 142                    | 156                     |
|  | Workers   |                        |                         |
| No. of fatalities  | Employees | NIL                    | NIL                     |
|  | Workers   | NIL                    | 01                      |
| High consequence work-related injury or ill-health (excluding fatalities )       | Employees | NIL                    | NIL                     |
|  | Workers   | NIL                    | NIL                     |

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Steelcast believes in providing safe work place and safe environment to all its employee and people we work with. It shows our commitment to develop safety and sustainability culture through active leadership and by ensuring availability of required resources.

**13. Number of Complaints on the following made by employees and workers:**

|                    | FY 2022-23<br>(Current Financial Year) |                                       |         | FY 2021-22<br>(Previous Financial Year) |                                       |         |
|--------------------|--|---------------------------------------|---------|---|---------------------------------------|---------|
|                    | Filed during the year                  | Pending resolution at the end of year | Remarks | Filed during the year                   | Pending resolution at the end of year | Remarks |
| Working Conditions | NIL                                    | NIL                                   | NIL     | NIL                                     | NIL                                   | NIL     |
| Health & Safety    | NIL                                    | NIL                                   | NIL     | NIL                                     | NIL                                   | NIL     |

**14. Assessments for the year: FY 2022:23**

|                             | % of your plants and offices that were assessed<br>(by entity or statutory authorities or third parties) |
|-----------------------------|--|
| Health and safety practices | 100%   |
| Working Conditions          | 100%   |

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

Root Cause Analysis (RCA) are conducted for all the safety related incidences and suitable corrective actions are taken.

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

The company provide insurance through Employees' Deposit Linked Insurance Scheme in the event of death to employees & workers.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

All of the Steelcast's value chain partners comes under PF act and ESI act which makes them liable to deduct and deposit statutory dues. Both central and state labour departments, PF and ESI departments conduct periodic inspections in this regard.

**3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

|           | Total no. of affected employees / workers |            | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment |            |
|-----------|---|------------|---|------------|
|           | FY 2022-23                                | FY 2021-22 | FY 2022-23  | FY 2021-22 |
| Employees | NII                                       | NII        | NII   | NII        |
| Workers   | NII                                       | NII        | NII   | NII        |

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes, Steelcast provides transition assistance to facilitate continued employability and the management of career endings resulting from retirement or termination.

**5. Details on assessment of value chain partners:**

|                             | % of value chain partners<br>(by value of business done with such partners) that were assessed  |
|-----------------------------|---|
| Health and safety practices | All of the Steelcast's value chain partners comes under relevant labour laws and acts. Because of which both central and state labour department conduct periodic inspections in related to Health and Safety practices and working conditions at the premise of value chain partners. Any gaps identified are suitability addressed by the partners. |
| Working Conditions          |   |

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

All of the Steelcast's value chain partners comes under relevant labour laws and acts. Because of which both central and state labour department conduct periodic inspections in related to Health and Safety practices and working conditions at the premise of value chain partners. Any gaps identified are suitability addressed by the partners.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

Stakeholders which directly or indirectly impacts Steelcast's revenue earning capability, its ability to share benefits are identified as key stakeholders.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, newspaper, pamphlets, advertisement, community meetings, notice board, website), Other       | Frequency of engagement (Annually / half yearly / quarterly / others – please specify)             | Purpose and scope of engagement including key topics and concerns raised during such engagement   |
|-------------------|--|---|--|---|
| Shareholders      | No   | Email, newspaper advertisement, disclosure available on stock exchanges (BSE & NSE) & Steelcast website                             | Engagement is done on quarterly, half yearly and annual basis as well as whenever the event occurs | All material events affecting the Company as well as disclosures required under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015  |
| Suppliers         | No   | Email, advertisement, letters, vendor meetings, etc.  | Regular  | To communicate new orders, regulatory requirements w.r.t. GST, TDS, TCS, new offers against supplies, etc.  |
| Employees         | No   | Email, review meetings, notice boards, shop floor, safety/welfare meetings, annual appraisal meetings, internal circular notes etc. | Regular  | Sharing monthly progress of the company, welfare schemes, routine matters and the business verticals, targets, achievements and department/section level concerns etc               |
| Customers         | No   | Email, letters, advertisement, telephone calls, meetings, website etc   | Regular  | Assessment of customer needs, their requirement vis-à-vis existing capital good assets, complaints resolution, business enquiries etc   |
| Communities       | Yes  | Meetings through local leaders, corporators, personally etc   | As per requirement   | Assessing their problems related to employment, training requirements for their wards, that lead to their vulnerability and which holds back in attaining better standard of living |

**Leadership Indicators**

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The most important forum for the shareholders of the company to have access to the Board of Directors is at the Annual General Meeting of the Company. During these meetings, shareholders raise various queries regarding the performance, strategies and outlook of the Company, share their grievances as well provide valuable feedback regarding improvements in the Company performance, not only from a business perspective but also on critical economic, environmental and social topics/ areas

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes. Stakeholders have provided their support to various environmental & social endeavors of the company viz., efforts in manufacturing Solar Power plants to meet the green power requirements, Supply of water, disposal of waste, contributing to spend the CSR funds utilization, vaccination drive of Steelcast employees & contract workers & their families etc.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.**

For underprivileged section of the community, Steelcast spend on CSR projects through various Implementing Agencies by local NGOs/Trusts/Institutions etc. These local NGOs/Trusts/Institutions engage with communities and understand their needs and problems.

**PRINCIPLE 5 Businesses should respect and promote human rights**

**Essential Indicators**

**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

|                             | FY 2022-23<br>(Current Financial Year) |  |           | FY 2021-22<br>(Previous Financial Year) |  |           |
|-----------------------------|--|--|-----------|---|--|-----------|
|                             | Total (A)                              | No. of Employees / workers covered (B) | % (B / A) | Total (C)                               | No. of Employees / workers covered (D) | % (D / C) |
| <b>Permanent</b>            | 235                                    | --                                     | --        | 220                                     | --                                     | --        |
| <b>Other than Permanent</b> | 118                                    | --                                     | --        | 96                                      | --                                     | --        |
| <b>Total Employees</b>      | 353                                    | --                                     | --        | 316                                     | --                                     | --        |
| <b>Workers</b>              |  |  |           |   |  |           |
| <b>Permanent</b>            | 193                                    | --                                     | --        | 197                                     | --                                     | --        |
| <b>Other than Permanent</b> | 359                                    | --                                     | --        | 374                                     | --                                     | --        |
| <b>Total Workers</b>        | 552                                    | --                                     | --        | 571                                     | --                                     | --        |

**2. Details of minimum wages paid to employees and workers, in the following format:**

| Category                    | FY 2022-23<br>(Current Financial Year) |                       |           |                        |           | FY 2021-22<br>(Previous Financial Year) |                       |           |                        |           |
|-----------------------------|--|-----------------------|-----------|------------------------|-----------|---|-----------------------|-----------|------------------------|-----------|
|                             | Total (A)                              | Equal to Minimum Wage |           | More than Minimum Wage |           | Total (D)                               | Equal to Minimum Wage |           | More than Minimum Wage |           |
|                             |  | No. (B)               | % (B / A) | No. (C)                | % (C / A) |   | No. (E)               | % (E / D) | No. (F)                | % (F / D) |
| <b>Employees</b>            |  |                       |           |                        |           |   |                       |           |                        |           |
| <b>Permanent</b>            |  |                       |           |                        |           |   |                       |           |                        |           |
| Male                        | 235                                    | 0                     | 0         | 235                    | 100       | 220                                     | 0                     | 0         | 220                    | 100       |
| Female                      | 0                                      | 0                     | 0         | 0                      | 0         | 0                                       | 0                     | 0         | 0                      | 0         |
| <b>Other than Permanent</b> |  |                       |           |                        |           |   |                       |           |                        |           |
| Male                        | 118                                    | 0                     | 0         | 118                    | 100       | 220                                     | 0                     | 0         | 96                     | 100       |
| Female                      |  |                       |           |                        |           |   |                       |           |                        |           |



| Category                    | FY 2022-23<br>(Current Financial Year) |                          |           |                           |           | FY 2021-22<br>(Previous Financial Year) |                          |           |                           |           |
|-----------------------------|--|--------------------------|-----------|---------------------------|-----------|---|--------------------------|-----------|---------------------------|-----------|
|                             | Total<br>(A)                           | Equal to<br>Minimum Wage |           | More than<br>Minimum Wage |           | Total (D)                               | Equal to<br>Minimum Wage |           | More than<br>Minimum Wage |           |
|                             |  | No. (B)                  | % (B / A) | No. (C)                   | % (C / A) |   | No. (E)                  | % (E / D) | No. (F)                   | % (F / D) |
| <b>Workers</b>              |  |                          |           |                           |           |   |                          |           |                           |           |
| <b>Permanent</b>            |  |                          |           |                           |           |   |                          |           |                           |           |
| Male                        | 193                                    | 0                        | 0         | 193                       | 100       | 197                                     | 0                        | 0         | 197                       | 100       |
| Female                      | 0                                      | 0                        | 0         | 0                         | 0         | 0                                       | 0                        | 0         | 0                         | 0         |
| <b>Other than Permanent</b> |  |                          |           |                           |           |   |                          |           |                           |           |
| Male                        | 359                                    | 0                        | 0         | 359                       | 374       | 197                                     | 0                        | 0         | 374                       | 100       |
| Female                      | 0                                      | 0                        | 0         | 0                         | 0         | 0                                       | 0                        | 0         | 0                         | 0         |

3. Details of remuneration/salary/wages, in the following format:

|                                  | Male   |   | Female |   |
|----------------------------------|--------|---|--------|---|
|                                  | Number | Median remuneration/ salary/ wages of respective category (Rs in Lakhs) | Number | Median remuneration/ salary/ wages of respective category (Rs in Lakhs) |
| Board of Directors (BoD)         |        | 37.63   | NIL    | NIL   |
| Key Managerial Personnel         |        | 32.62   | NIL    | NIL   |
| Employees other than BoD and KMP |        | 3.59  | NIL    | NIL   |
| Workers                          |        | 2.16  | NIL    | NIL   |

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The immediate superiors, plant heads work as grievance redressal officers.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The company has very structured practice in place to redress grievances related to all kinds of issues including human rights issues. The employees of all categories escalate their grievances through the Matrix as under:

1st Stage: Next Superior Officer

2nd Stage: Plant/Dept Head

3rd Stage: Director Level: Resolution of Grievances

6. Number of Complaints on the following made by employees and workers:

|  | FY 2022-23<br>(Current Financial Year) |   |         | FY 2021-22<br>(Previous Financial Year) |   |         |
|--|--|---|---------|---|---|---------|
|  | Filed during<br>the year               | Pending<br>resolution at<br>the end of year | Remarks | Filed during<br>the year                | Pending<br>resolution at<br>the end of year | Remarks |
|  |  |   |         |   |   |         |
| Sexual Harassment                            | --                                     | --  | --      | --                                      | --  | --      |
| Discrimination<br>at workplace               | --                                     | --  | --      | --                                      | --  | --      |
| Discrimination at<br>workplace               |  |   |         |   |   |         |
| Child Labour                                 | --                                     | --  | --      | --                                      | --  | --      |
| Forced Labour/<br>Involuntary Labour         | --                                     | --  | --      | --                                      | --  | --      |
| Wages  | --                                     | --  | --      | --                                      | --  | --      |
| Other than human<br>rights related<br>issues | --                                     | --  | --      | --                                      | --  | --      |

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company has laid down policies and followed in letter and spirit. The cases on receipt of any concern through email, letter, web helpline, oral, etc., are dealt accordingly within the parameters. Non Discrimination & Harassment Policy dated 1.1.2008 is in practice.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

The company has very structured practice in place to redress grievances related to all kinds of issues including human rights issues. The issues are redressed through policies in place.

**9. Assessments for the year: 2022-23**

|                             | <b>% of your plants and offices that were assessed<br/>(by entity or statutory authorities or third parties)</b> |
|-----------------------------|--|
| Child labour                | Not Applicable   |
| Forced/involuntary labour   | Not Applicable   |
| Sexual harassment           | 100%   |
| Discrimination at workplace | 100%   |
| Wages                       | 100%   |
| Others – please specify     | 100%   |

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

No significant risk/ concerns was identified

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

Not Applicable.

**2. Details of the scope and coverage of any Human rights due-diligence conducted.**

Not Applicable

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes.

**4. Details on assessment of value chain partners:**

|                                  | <b>% of value chain partners<br/>(by value of business done with such partners) that were assessed</b>  |
|----------------------------------|---|
| Sexual Harassment                |   |
| Discrimination at workplace      |   |
| Child Labour                     | Steelcast didn't assess its value chain partners on Human Rights criteria as these entities comes under labor related laws/acts/ statutes and are assessed or inspected by relevant Govt department/ institution. |
| Forced Labour/Involuntary Labour |   |
| Wages                            |   |
| Others – please specify          |   |

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not Applicable.

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**

**Essential Indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

| Parameter  | FY 2022-23<br>Current Financial Year               | FY 2021-22<br>Previous Financial year         |
|--|--|---|
| Total electricity consumption (A)  | 3,93,73,931 kWh                                    | 3,24,42,823 kWh                               |
| Total fuel consumption (B)   | 1,75,651 MMBTU                                     | 1,52,629 MMBTU                                |
| Energy consumption through other sources (C)   | -  | -   |
| Total energy consumption (A+B+C)   | Electricity:3,93,73,931 kWh<br>Fuel:1,75,651 MMBTU | Electricity:3,24,42,823 kWh<br>1,52,629 MMBTU |
| Energy intensity per rupee of turnover<br>(Total energy consumption/ turnover in rupees) | 0.14   | 0.16  |
| Energy intensity (optional) – the relevant metric may be selected by the entity          | -  | -   |

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No.

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No.

**3. Provide details of the following disclosures related to water, in the following format:**

| Parameter   | FY 2022-23<br>Current Financial Year | FY 2021-22<br>Previous Financial year |
|---|--------------------------------------|---------------------------------------|
| <b>Water withdrawal by source (in kilolitres)</b>                                     |                                      |                                       |
| (i) Surface water   | 62,006 KL                            | 61,780 KL                             |
| (ii) Groundwater  | --                                   | --                                    |
| (iii) Third party water   | --                                   | --                                    |
| (iv) Seawater / desalinated water   | --                                   | --                                    |
| (v) Others  | --                                   | --                                    |
| <b>Total volume of water withdrawal (in kilolitres)<br/>(i + ii + iii + iv + v)</b>   | 62,006 KL                            | 61,780 KL                             |
| <b>Total volume of water consumption (in kilolitres)</b>                              |                                      |                                       |
| <b>Water intensity per rupee of turnover<br/>(Water consumed / turnover)</b>          | 0.012                                | 0.020                                 |
| <b>Water intensity</b> (optional) – the relevant metric may be selected by the entity | -                                    | -                                     |

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No.

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes. As a responsible corporate citizen, Steelcast has set up Sewage Treatment Plants (STP) to ensure that the water which is discharged from our premises conform to the effluent standards as per the statutory requirement and its quantity is minimized to the extent feasible.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

| Parameter                           | Please specify unit | FY 2022-23<br>(Current Financial Year) | FY 2021-22<br>(Previous Financial Year) |
|-------------------------------------|---------------------|--|---|
| NOx                                 | ppm                 | 5.74                                   | 8.23                                    |
| SOx                                 | ppm                 | 3.50                                   | 5.62                                    |
| Particulate matter (PM)             | Mg/Nm <sup>3</sup>  | 16.31                                  | 11.35                                   |
| Persistent organic pollutants (POP) | -                   | -                                      | -                                       |
| Volatile organic compounds (VOC)    | -                   | -                                      | -                                       |
| Hazardous air pollutants (HAP)      | -                   | -                                      | -                                       |
| Others – please specify             | -                   | -                                      | -                                       |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

| Parameter   | Unit  | FY 2022-23<br>(Current Financial Year) | FY 2021-22<br>(Previous Financial Year) |
|---|---|--|---|
| Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent | 11,523                                 | 9,364                                   |
| Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent | 33,030                                 | 26,279                                  |
| Total Scope 1 and Scope 2 emissions per rupee of turnover   |   | --                                     | --                                      |
| Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity   |   | -                                      | --                                      |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Mitcon Consultancy Engineering & Services Limited conducted the Carbon Foot print assessment study for the company.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

No.

8. Provide details related to waste management by the entity, in the following format:

| Parameter   | FY 2022-23<br>(Current Financial Year) | FY 2021-22<br>(Previous Financial Year) |
|---|--|---|
| <b>Total Waste generated (in metric tonnes)</b>   |  |   |
| Plastic waste (A)   | 8.923 MT                               | 6.578 MT                                |
| E-waste (B)   | --                                     | --                                      |
| Bio-medical waste (C)   | 0.007 MT                               | 0.005 MT                                |
| Construction and demolition waste (D)   | --                                     | --                                      |
| Battery waste (E)   | --                                     | --                                      |
| Radioactive waste (F)   | --                                     | --                                      |
| Other Hazardous waste. Please specify, if any. (G)  | 48.059 MT                              | 20.643 MT                               |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | -                                      | -                                       |
| <b>Total (A + B + C + D + E + F + G + H)</b>  | <b>56.989 MT</b>                       | <b>27.226 MT</b>                        |

| Parameter  | FY 2022-23<br>(Current Financial Year) | FY 2021-22<br>(Previous Financial Year) |
|--|--|---|
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b> |  |   |
| Category of waste  |  |   |
| (i) Recycled   | --                                     | --                                      |
| (ii) Re-used   | --                                     | --                                      |
| (iii) Other recovery operations  | --                                     | --                                      |
| <b>Total</b>   | --                                     | --                                      |
| <b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>                              |  |   |
| Category of waste  |  |   |
| (i) Incineration   | --                                     | --                                      |
| (ii) Landfilling   | --                                     | --                                      |
| (iii) Other disposal operations  | --                                     | --                                      |
| <b>Total</b>   | --                                     | --                                      |

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No.

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

In our manufacturing activity, reduction of waste generation is taken as a very important activity. The company meticulously review the Input Output report to ensure that there is zero discharge of waste. After the process of knock off activity, cutting etc the runner & risers are taken as foundry return and again used in melt.

Across Steelcast, solid wastes/ scrap having resale value were collected, segregated, stored and sold to authorized recyclers. Some of it not having any resale value is used for filling up low lying areas. Other wastes are disposed of as per the stipulations in the relevant statutes. The waste generated at units are disposed as per the regulatory requirement and necessary records for scrutiny of authority is duly maintained. The waste which can be used outside is sent to authorized recyclers.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

| S. No. | Location of operations/ office | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N)<br>If no, the reasons thereof and corrective action taken, if any. |
|--------|--------------------------------|--------------------|--|
|        | Nil                            | Nil                | Nil  |

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|----------------------|------|---|--|-------------------|
| Nil                               | Nil                  | Nil  | Nil   | Nil  | Nil               |

12. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format**

| S. No. | Specify the law / regulation / guidelines which was not complied with | Provide details of the non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|--------|---|---------------------------------------|---|---------------------------------|
| Nil    | Nil   | Nil                                   | Nil   | Nil                             |

### Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

| Parameter   | FY 2022-23<br>(Current Financial Year)  | FY 2021-22<br>(Previous Financial year) |
|---|---|---|
| <b>From renewable sources</b>                                   |   |   |
| Total electricity consumption (A)                               | --                                      | --                                      |
| Total fuel consumption (B)                                      | --                                      | --                                      |
| Energy consumption through other sources (C)                    | --                                      | --                                      |
| <b>Total energy consumed from renewable sources (A+B+C)</b>     | --                                      | --                                      |
| <b>From non-renewable sources</b>                               |   |   |
| Total electricity consumption (D)                               | 3,93,73,931 kWh                         | 3,24,42,823 kWh                         |
| Total fuel consumption (E)                                      | 1,75,651 MMBTU                          | 1,52,629 MMBTU                          |
| Energy consumption through other sources (F)                    | --                                      | --                                      |
| <b>Total energy consumed from non-renewable sources (D+E+F)</b> | 3,93,73,931 kWh<br>Fuel: 1,75,651 MMBTU | 3,24,42,823 kWh<br>Fuel: 1,52,629 MMBTU |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

2. Provide the following details related to water discharged:

| Parameter  | FY 2022-23<br>(Current Financial Year) | FY 2021-22<br>(Previous Financial year) |
|--|--|---|
| <b>Water discharge by destination and level of treatment (in kilolitres)</b> |  |   |
| (i) To Surface water   |  |   |
| - No treatment   | --                                     | --                                      |
| - With treatment – please specify level of treatment                         | --                                     | --                                      |
| (ii) To Groundwater  | --                                     | --                                      |
| - No treatment   | --                                     | --                                      |
| - With treatment – please specify level of treatment                         | --                                     | --                                      |
| (iii) To Seawater  | --                                     | --                                      |
| - No treatment   | --                                     | --                                      |
| - With treatment – please specify level of treatment                         | --                                     | --                                      |
| (iv) Sent to third-parties   | --                                     | --                                      |
| - No treatment   | --                                     | --                                      |
| - With treatment – please specify level of treatment                         | --                                     | --                                      |
| (v) Others   | --                                     | --                                      |
| - No treatment   | --                                     | --                                      |
| - With treatment – please specify level of treatment                         | --                                     | --                                      |
| <b>Total water discharged (in kilolitres)</b>                                | --                                     | --                                      |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Nil.

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

| Parameter   | FY 2022-23<br>(Current Financial Year) | FY 2021-22<br>(Previous Financial year) |
|---|--|---|
| <b>Water withdrawal by source (in kilolitres)</b>                                     |  |   |
| (i) Surface water   | 62,006 KL                              | 61,780 KL                               |
| (ii) Groundwater  | --                                     | --                                      |
| (iii) Third party water   | --                                     | --                                      |
| (iv) Seawater / desalinated water   | --                                     | --                                      |
| (v) Others  |  |   |
| <b>Total volume of water withdrawal (in kilolitres)</b>                               | 62,006 KL                              | 61,780 KL                               |
| <b>Total volume of water consumption (in kilolitres)</b>                              | --                                     | --                                      |
| <b>Water intensity per rupee of turnover</b><br>(Water consumed / turnover)           | --                                     | --                                      |
| <b>Water intensity</b> (optional) – the relevant metric may be selected by the entity | --                                     | --                                      |
| <b>Water discharge by destination and level of treatment (in kilolitres)</b>          |  |   |
| <b>(i) Into Surface water</b>   |  |   |
| - No treatment  | --                                     | --                                      |
| - With treatment – please specify level of treatment                                  | --                                     | --                                      |
| <b>(ii) Into Groundwater</b>  |  |   |
| - No treatment  | --                                     | --                                      |
| - With treatment – please specify level of treatment                                  | --                                     | --                                      |
| <b>(iii) Into Seawater</b>  |  |   |
| - No treatment  | --                                     | --                                      |
| - With treatment – please specify level of treatment                                  | --                                     | --                                      |
| <b>(iv) Sent to third-parties</b>   |  |   |
| - No treatment  | --                                     | --                                      |
| - With treatment – please specify level of treatment                                  | --                                     | --                                      |
| <b>(v) Others</b>   |  |   |
| - No treatment  | --                                     | --                                      |
| - With treatment – please specify level of treatment                                  | --                                     | --                                      |
| <b>Total water discharged (in kilolitres)</b>   | --                                     | --                                      |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

| Parameter   | Unit  | FY 2022-23<br>(Current Financial Year) | FY 2021-22<br>(Previous Financial Year) |
|---|---|--|---|
| Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent | 163                                    | 138                                     |
| Total Scope 3 emissions per rupee of turnover   |   | -                                      | -                                       |
| Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity   |   | -                                      | -                                       |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Mitcon Consultancy Engineering & Services Limited conducted the Carbon Foot print assessment study for the company.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

| Sr. No | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|--------|-----------------------|--|---------------------------|
|        |                       |  |                           |
|        |                       |  |                           |

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.
8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.
9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

**PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

#### Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

The company has affiliations with 16 (Sixteen) trade and industry chambers/ associations

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

| S. No. | Name of the trade and industry chambers/ associations   | Reach of trade and industry chambers/ associations (State/National) |
|--------|---|---|
| 1      | Indo German Chamber of Commerce   | National  |
| 2      | EEPC India  | National  |
| 3      | The Institute of Indian Foundrymen  | National  |
| 4      | Bhavnagar District Chamber of Commerce and industries   | State   |
| 5      | Saurashtra Chamber of Commerce and industry   | State   |
| 6      | Confederation of Indian Industry  | National  |
| 7      | Gujarat Chamber of Commerce and industry  | State   |
| 8      | Accorded the status of Two Star Export House from Directorate General of Foreign Trade                                | National  |
| 9      | R&D Laboratory approved by The Department of Science & Technology, Government of India.                               | National  |
| 10     | Accreditation as an NABL (National Accreditation Board for Testing and Calibration Laboratories) approved Laboratory. | National  |

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

| Name of authority  | Brief of the case | Corrective action taken |
|--|-------------------|-------------------------|
| No instance of anti-competitive conduct by Steelcast has been raised |                   |                         |



### Leadership Indicators

#### 1. Details of public policy positions advocated by the entity:

| S. No. | Public policy advocated   | Method resorted for such advocacy  | Whether information available in public domain? (Yes/No) | Frequency of Review by Board (Annually / Half Yearly / Quarterly / Others – please specify) | Web Link, if available |
|--------|---|--|--|---|------------------------|
| 1.     | Inputs to boost (i) Casting Sector, (ii) Atmanirbhar Bharat initiatives, (iii) MSME development & Collaborative Management (iv) Export Incentives to industries | Through representations to various Industrial Bodies viz. CII, Trade Association Bodies. | No   | --  | --                     |
| 2.     | Inputs on matters such as Customs, Export promotion & Export incentives   | Pre-budget memorandum  | No   | --  | --                     |
| 3.     | Participation in various activities viz. growth and skill development, Make in India, promotion of in-house R&D, etc  | Through interaction with government bodies   | No   | --  | --                     |

### PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

#### Essential Indicators

#### 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

| Name and brief details of project | SIA Notification No. | Date of Notification | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|----------------------|----------------------|---|--|-------------------|
| Not Applicable                    |                      |                      |   |  |                   |

#### 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

| S. No.         | Name of Project for which R & R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R & R | Amounts paid to PAFs in the FY (In INR) |
|----------------|--|-------|----------|---|----------------------------|---|
| Not Applicable |  |       |          |   |                            |   |

#### 3. Describe the mechanisms to receive and redress grievances of the community.

The Company has a process to receive and redress concerns/grievances received from the community. A site level committee consisting of members from various departments viz. administration, security and HR etc. is formed which receives the concerns (written/verbal) and works towards its redressal in timely manner. The concerns are recorded and tracked for closure. Throughout the year, a number of informal sessions are conducted which help interactions with the community.

#### 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

| Parameter  | FY 2022-23<br>(Current Financial Year) | FY 2021-22<br>(Previous Financial year) |
|--|--|---|
| Directly sourced from MSMEs/ small producers                         | 46.67%                                 | 52.93%                                  |
| Sourced directly from within the district and neighbouring districts | 54.20%                                 | 64.94%                                  |

### Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

| Details of negative social impact identified | Corrective action taken |
|--|-------------------------|
| NIL  | NIL                     |

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

| S. No. | State   | Aspirational District | Amount spent (In INR) |
|--------|---------|-----------------------|-----------------------|
| 1      | Gujarat | Bhavnagar             | Rs. 53.12 Lakhs       |

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

We do not have a formal policy as such, however, procure almost 80% of our input materials from MSMEs/marginalized /vulnerable groups

- (b) From which marginalized /vulnerable groups do you procure?

MSMEs run by proprietorship, partnership etc.

- (c) What percentage of total procurement (by value) does it constitute?

The procurement is sizeable from these groups.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

| S. No. | Intellectual Property based on traditional knowledge | Owned/Acquired (Yes/No) | Benefit shared (Yes / No) | Basis of calculating benefit share |
|--------|--|-------------------------|---------------------------|------------------------------------|
|--------|--|-------------------------|---------------------------|------------------------------------|

Company has acquired intellectual property based on traditional knowledge and the same has been registered as Trademarks. The company has invested in Research & Development in the field of Casting manufacturing. The revenue earned by company from intellectual property cannot be quantified.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

| Name of Authority | Brief of the Case   | Corrective action taken |
|-------------------|---|-------------------------|
|                   | No dispute related to Intellectual Property rights emerged during FY 2022-23. |                         |

6. Details of beneficiaries of CSR Projects:

| S. No. | CSR Project                          | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|--------|--------------------------------------|---|--|
| 1      | In House Skill Development           | 250   | 90   |
| 2      | Child Education                      | 904   | 100  |
| 3      | Women empowerment                    | 1,150                                       | 70   |
| 4      | Health Care                          | 140   | 100  |
| 5      | Environmental and Ecological balance | 6,000                                       | 50   |

## PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

### Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has a mechanism to log the complaints and actions thereon. A dedicated team for each customer works under the supervision of a Senior Officer of the company. In case of any complaints from the existing customers, these are discussed at Marketing Dept Head level. The issues are taken up with Functional Heads and resolved and necessary feedback given to customers.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

|   | As a percentage to total turnover  |
|---|--|
| Environment and social parameters relevant to the product | 100%   |
| Safe and responsible usage                                | 100%   |
| Recycling and/or safe disposal                            | The company manufactures only Steel & Alloy Castings and there is only one segment. Therefore this is not applicable |

**3. Number of consumer complaints in respect of the following:**

|                                | FY 2022-23<br>(Current Financial Year) |                                   | Remarks | FY 2021-22<br>(Previous Financial Year) |                                   | Remarks |
|--------------------------------|--|-----------------------------------|---------|---|-----------------------------------|---------|
|                                | Received during the year               | Pending resolution at end of year |         | Received during the year                | Pending resolution at end of year |         |
| Data privacy                   | NIL                                    | NIL                               | NIL     | NIL                                     | NIL                               | NIL     |
| Advertising                    | NIL                                    | NIL                               | NIL     | NIL                                     | NIL                               | NIL     |
| Cyber-security                 | NIL                                    | NIL                               | NIL     | NIL                                     | NIL                               | NIL     |
| Delivery of essential services | NIL                                    | NIL                               | NIL     | NIL                                     | NIL                               | NIL     |
| Restrictive Trade Practices    | NIL                                    | NIL                               | NIL     | NIL                                     | NIL                               | NIL     |
| Unfair Trade Practices         | NIL                                    | NIL                               | NIL     | NIL                                     | NIL                               | NIL     |
| Other                          | NIL                                    | NIL                               | NIL     | NIL                                     | NIL                               | NIL     |

**4. Details of instances of product recalls on account of safety issues:**

|                   | Number | Reason for recall |
|-------------------|--------|-------------------|
| Voluntary recalls | NIL    | NIL               |
| Forced recalls    | NIL    | NIL               |

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

The company is having a check list to ensure protection of data privacy and security. The company is formulating the policy on cyber security and data privacy & risk.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

No instances reported to the company.

**Leadership Indicators**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

The information on products and services of the entity can be accessed at <https://www.steelcast.net>

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The company manufactures Capital Goods as per technical specifications provided by customers. The category of customers is not public but industries.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

The Company is in manufacturing business and not into service, hence not applicable.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

The products are sub-assemblies (parts/components) put into the Major Assemblies and not used as standalone. This is Not Applicable.

**5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

The company periodically takes feedback from customers individually.

**6. Provide the following information relating to data breaches:**

a. Number of instances of data breaches along-with impact :NIL

b. Percentage of data breaches involving personally identifiable information of customers:NIL

# Financial Statements

# INDEPENDENT AUDITORS' REPORT

To  
The Members of  
**STEELCAST LIMITED**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of STEELCAST LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and other 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 (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There is no any key audit matter to be communicated in our 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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.

### Management's Responsibility 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 are 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 judgment 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating

effectiveness of the Company's internal financial controls over financial reporting.

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the 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 does not have any pending litigations which would impact its financial position except those stated under note no. 38(c) - Contingent Liabilities.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The management, has represented that, to the best of its knowledge and beliefs, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the company to or in any other person or entity, including foreign entity ("intermediaries), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities indentified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management, has represented, that, to the best of its knowledge and beliefs, no funds (which are material either individually or in aggregate) have been received by the company from any person or entity, 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 persons or entities indentified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the company, nothing has come our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v As stated in Note 18 of the standalone financial statement

(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

(b) The interim dividend declared and paid by the company during the year is in compliance with Section 123 of the Act, as applicable.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to 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.

- vi Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. 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 B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent possible.

For **S S M & Co,**  
Chartered Accountants  
FRN : 129198W

Bhavnagar  
23rd May 2023  
UDIN : 23106804BGYMXA8115

**CA Sarju S. Mehta**  
Partner  
M. N. 106804



## ANNEXURE – A

### TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report 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 STEELCAST LIMITED ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### Auditors' Responsibility

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

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

internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that –

- (a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and
- (c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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





## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over

Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S S M & Co,**  
**Chartered Accountants**  
FRN : 129198W

Bhavnagar  
23rd May 2023  
UDIN : 23106804BGYMXA8115

**CA Sarju S. Mehta**  
Partner  
M. N. 106804

**ANNEXURE – B****TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2 under ' Report on Other Legal and Regulatory Requirements' section of our report of even date)

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

i. In respect of Property, Plant and Equipment and Intangible Assets:

(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) The Property, Plant and Equipment were physically verified by the management at reasonable intervals having regard to the size of the company, in a phased manner in accordance with a programme of physical verification. As informed, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and based on the records of the company examined by us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company. Regarding the leasehold lands, the lease agreement are duly executed in favour of the company except expired lease renewals pending for renewal from Bhavnagar Municipal Corporation (Lessor) as disclosed in note 38a (i) and pending lease deed due to stay by Honourable Gujarat High Court as disclosed in note 38a (ii).

(d) The Company has not revalued any of its Property, Plant and Equipment and Intangible assets during the year.

(e) No proceeding have been initiated during the year or are pending against the company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The inventories were physically verified by the management at reasonable intervals during the year. As informed to us, no discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification carried out by the Company.

(b) During the year, the company has been sanctioned working capital limits from banks in excess of five crore rupees on basis of security of current asset. The quarterly returns or statements filed by the company with such banks are in agreement with books of accounts of the company.

iii. During the year, the Company has not made any investment in, provided any guarantee or security or advances in nature of loans, secured or unsecured, to companies, firms, limited liabilities partnership or any other parties however, company has granted loans to other parties in respect of which:

(a) The Company has provided unsecured loans to other entity during the year, in respect of which:

| Particulars  | (INR in Lakhs) |
|--|----------------|
|  | 2022-23        |
| A. Aggregate amount Granted / provided during the year.                    | 3,234          |
| Subsidiaries, associate or Joint Ventures                                  | -              |
| Others   | 3,234          |
| B. Balance Outstanding as at balance sheet date in respect of above cases: | -              |
| Subsidiaries, associate or Joint Ventures                                  | -              |
| Others   | -              |

(b) In our opinion, the terms and conditions of granted loans, during the year are prima facie, not prejudicial to 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) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) 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 overdues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.

iv. The Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security, to the extent applicable.

v. The company has neither accepted any deposit from the public nor accepted any amount which are deemed to be deposit within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on this clause is not applicable.

- vi. We have broadly reviewed the cost records maintained by the Company pursuant to Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory and other dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other statutory dues, to the extent applicable, with the appropriate authorities during the year. There are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable.
- (b) There are no amounts outstanding, which have not been deposited on account of dispute.
- viii. 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) The Company has not defaulted in repayment of loans or other borrowing or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) During the year the Company has not availed any term loan facility and hence reporting under this sub clause is not applicable.
- (d) On overall examination of the financial statements of the company, funds raised on short-term basis have prima facie, not been used during the year for long-term purposes by the company.
- (e) The Company does not have any subsidiaries, associate or joint ventures. Hence, the provision of this sub clause is not applicable.
- (f) The Company does not have any subsidiaries, associate or joint ventures. Hence, the provision of this sub clause is not applicable.
- x. (a) The Company has not raised any money, during the year, by way of public offer (including debt instruments).
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xi. (a) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company or on the Company by its officers or employees was noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the 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 upto the date of this report.
- (c) According to the information and explanations given to us, there are no instances of whistle blower complaints received during the year by company.
- xii. Since the Company is not a Nidhi Company, the provisions of this clause is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of the Act and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the company has an adequate 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, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) & (c) is not applicable.
- (b) Since the company has no group entity the reporting under clause 3(xvi) (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the company during year.
- xix. On basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statement and 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 indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We 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 audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from balance sheet date, will get discharged by the company as and when they fall due.

- xx. There are no unspent amounts towards Corporate Social Responsibility (CSR). Accordingly, reporting under this clause is not applicable.
- xxi. The Company does not have any subsidiaries, associate or joint ventures. Accordingly, reporting under this clause is not applicable

For S S M & Co,  
Chartered Accountants  
FRN : 129198W

Bhavnagar  
23rd May 2023  
UDIN : 23106804BGYMXA8115

CA Sarju S. Mehta  
Partner  
M. N. 106804

## Balance Sheet as at 31 March 2023

(INR in Lakhs)

| Particulars   | Note | 31 March 2023    | 31 March 2022    |
|---|------|------------------|------------------|
| <b>ASSETS</b>   |      |                  |                  |
| <b>Non-Current Assets</b>   |      |                  |                  |
| Property, Plant and Equipment   | 3    | 14,152.21        | 10,872.49        |
| Capital Work-in-Progress  | 3    | 13.89            | 496.05           |
| Intangible Assets   | 4    | 35.03            | 65.97            |
| Financial Assets:   |      |                  |                  |
| Investments   | 5    | 454.82           | 9.25             |
| Loans   | 6    | 53.63            | -                |
| Other Financial Assets  | 7    | 4.03             | 4.19             |
| Other Assets  | 8    | 1,017.27         | 1,098.61         |
| <b>Total Non Current Assets</b>   |      | <b>15,730.88</b> | <b>12,546.56</b> |
| <b>Current Assets</b>   |      |                  |                  |
| Inventories   | 9    | 5,090.99         | 6,157.37         |
| Financial Assets:   |      |                  |                  |
| Investments   | 10   | 500.67           | -                |
| Trade Receivables   | 11   | 7,745.20         | 7,516.10         |
| Cash and Cash Equivalents   | 12   | 25.45            | 11.69            |
| Other Bank Balances   | 13   | 319.99           | 200.31           |
| Loans   | 14   | 150.97           | 35.18            |
| Other Financial Assets  | 15   | 0.04             | 1.30             |
| Other Assets  | 16   | 940.17           | 1,135.92         |
| <b>Total Current Assets</b>   |      | <b>14,773.47</b> | <b>15,057.86</b> |
| <b>Total Assets</b>   |      | <b>30,504.35</b> | <b>27,604.42</b> |
| <b>EQUITY AND LIABILITIES</b>   |      |                  |                  |
| <b>Equity</b>   |      |                  |                  |
| Equity Share Capital  | 17   | 1,012.00         | 1,012.00         |
| Other Equity  | 18   | 20,508.56        | 14,643.41        |
| <b>Total Equity</b>   |      | <b>21,520.56</b> | <b>15,655.41</b> |
| <b>Non-Current Liabilities</b>  |      |                  |                  |
| Provisions  | 19   | 128.56           | 105.30           |
| Deferred Tax Liabilities  | 20   | 693.92           | 671.76           |
| <b>Total Non Current Liabilities</b>  |      | <b>822.48</b>    | <b>777.06</b>    |
| <b>Current Liabilities</b>  |      |                  |                  |
| Financial Liabilities:  |      |                  |                  |
| Borrowings  | 21   | 2,364.86         | 6,279.86         |
| Trade Payable:  |      |                  |                  |
| (a) Total outstanding dues of Micro Enterprises and Small Enterprises; and                  | 22   | -                | -                |
| (b) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises. |      | 4,113.72         | 3,568.70         |
| Other Financial Liabilities   | 23   | 1,442.47         | 1,071.95         |
| Other Liabilities   | 24   | 97.68            | 116.62           |
| Provisions  | 25   | 107.08           | 108.72           |
| Current Tax Liabilities (Net)   | 26   | 35.50            | 26.11            |
| <b>Total Current Liabilities</b>  |      | <b>8,161.32</b>  | <b>11,171.95</b> |
| <b>Total Liabilities</b>  |      | <b>8,983.80</b>  | <b>11,949.01</b> |
| <b>Total Equity and Liabilities</b>   |      | <b>30,504.35</b> | <b>27,604.42</b> |

The accompanying notes are an integral part of the Financial Statements.

As per our report on even date.

For S S M & CO

Chartered Accountants

FRN: 129198W

For STEELCAST LIMITED

Subhash Sharma  
Chief Financial Officer

Umesh Bhatt  
Company Secretary

CA Sarju Mehta

Partner

M. No. 106804

Place: Bhavnagar

Date: 23 May 2023

For and on Behalf of the Board of Directors

Rushil C Tamboli

Director

DIN: 07807971

Place: Bhavnagar

Date: 23 May 2023

Chetan M Tamboli

Chairman & Managing

Director

DIN: 00028421

## Statement of Profit and Loss for the year ended 31 March 2023

(INR in Lakhs)

| Particulars  | Note | FY 2022-23       | FY 2021-22       |
|--|------|------------------|------------------|
| <b>Income:</b>   |      |                  |                  |
| Revenue from Operations  | 27   | 47,683.39        | 30,204.02        |
| Other Income   | 28   | 110.34           | 30.46            |
| <b>Total Income</b>  |      | <b>47,793.74</b> | <b>30,234.48</b> |
| <b>Expenses:</b>   |      |                  |                  |
| Cost of Materials Consumed   | 29   | 12,137.68        | 9,495.02         |
| Changes in Inventories of Finished Goods and Work-in-Progress  | 30   | 1,187.22         | (2,693.92)       |
| Employee Benefits Expenses   | 31   | 3,701.58         | 2,836.36         |
| Finance Costs  | 32   | 241.41           | 156.02           |
| Depreciation and Amortization Expenses   |      | 1,814.37         | 1,771.59         |
| Other Expenses   | 33   | 19,259.39        | 14,196.45        |
| <b>Total Expenses</b>  |      | <b>38,341.64</b> | <b>25,761.52</b> |
| <b>Profit/(Loss) Before Exceptional Items and Tax</b>  |      | <b>9,452.09</b>  | <b>4,472.96</b>  |
| Exceptional Items  | 34   | -                | -                |
| <b>Profit/(Loss) Before Tax</b>  |      | <b>9,452.09</b>  | <b>4,472.96</b>  |
| <b>Tax Expenses:</b>   |      |                  |                  |
| Current Tax  | 20   | 2,395.72         | 1,327.95         |
| MAT Credit Entitlement   |      | -                | -                |
| Short/(Excess) Provision of Tax of Earlier Years   |      | (19.41)          | (15.97)          |
| Deferred Tax   |      | 23.32            | (166.20)         |
| <b>Profit/(Loss) for the Year</b>  |      | <b>7,052.46</b>  | <b>3,327.19</b>  |
| <b>Other Comprehensive Income:</b>   |      |                  |                  |
| Items that will not be reclassified to Profit or Loss  |      |                  |                  |
| Re-Measurement Gains/(Losses) on Defined Benefit Plans   |      | (4.59)           | (4.08)           |
| Income Tax Effect  |      | 1.16             | 1.03             |
| Net Gain/(Loss) on Fair value through other comprehensive income (FVOCI)                                       |      | 0.16             | 0.40             |
| Equity Instruments   |      |                  |                  |
| Income Tax Effect  |      | -                | -                |
| <b>Total Other Comprehensive Income for the Year, Net of Tax</b>   |      | <b>(3.28)</b>    | <b>(2.66)</b>    |
| <b>Total Comprehensive Income for the Year (Comprising Profit and Other Comprehensive Income for the Year)</b> |      | <b>7,049.18</b>  | <b>3,324.53</b>  |
| <b>Earnings per Equity Share:</b>  |      |                  |                  |
| Face Value Per Equity Share  |      | <b>5.00</b>      | <b>5.00</b>      |
| <b>Basic and Diluted Earnings Per Share (INR)</b>  | 35   | <b>34.84</b>     | <b>16.44</b>     |

The accompanying notes are an integral part of the Financial Statements.

As per our report on even date.

For S S M & CO

Chartered Accountants

FRN: 129198W

For STEELCAST LIMITED

Subhash Sharma  
Chief Financial Officer

Umesh Bhatt  
Company Secretary

CA Sarju Mehta

Partner

M. No. 106804

Place: Bhavnagar

Date: 23 May 2023

For and on Behalf of the Board of Directors

Rushil C Tamboli  
Director  
DIN: 07807971  
Place: Bhavnagar  
Date: 23 May 2023

Chetan M Tamboli  
Chairman & Managing  
Director  
DIN: 00028421

## Statement of Cash Flow for the year ended 31 March 2023

(INR in Lakhs)

| Particulars   | FY 2022-23 |                   | FY 2021-22 |                   |
|---|------------|-------------------|------------|-------------------|
| <b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>  |            |                   |            |                   |
| Net Profit Before Taxation  |            | 9,452.09          |            | 4,472.96          |
| <b>Adjustments for -</b>  |            |                   |            |                   |
| Depreciation and Amortisation   | 1,814.37   |                   | 1,771.59   |                   |
| (Profit)/Loss on sale of Property, Plant & Equipment  | (76.68)    |                   | (17.48)    |                   |
| Provision for impairment of trade receivables   | (2.67)     |                   | 2.69       |                   |
| Fair value (gain) / loss on financial instruments at FVTPL  | (0.69)     |                   | -          |                   |
| Sundry Balances Written Off / Back (Net)  | (0.67)     |                   | 3.00       |                   |
| Unrealised exchange (gain) / loss   | 6.19       |                   | (16.52)    |                   |
| Dividend income   | (0.01)     |                   | (0.01)     |                   |
| Interest Expenses(net)  | 204.77     | 1,944.60          | 128.19     | 1,871.46          |
| <b>Operating Profit Before Working Capital Changes</b>  |            | <b>11,396.69</b>  |            | <b>6,344.42</b>   |
| <b>Adjustments for -</b>  |            |                   |            |                   |
| Trade Receivables   | (232.61)   |                   | (2,326.65) |                   |
| Inventories   | 1,066.37   |                   | (3,594.02) |                   |
| Other Financial and Non Financial Assets  | (9.91)     |                   | (875.23)   |                   |
| Trade payables  | 545.03     |                   | 2,136.74   |                   |
| Other Financial and Non Financial Liabilities   | 368.62     |                   | (395.80)   |                   |
|   |            | 1,737.49          |            | (5,054.95)        |
| <b>Cash Generated From Operations</b>   |            | <b>13,134.18</b>  |            | <b>1,289.47</b>   |
| Direct Taxes (Payment)/Refund   |            | (2,366.92)        |            | (1,296.07)        |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>   |            | <b>10,767.25</b>  |            | <b>(6.60)</b>     |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>  |            |                   |            |                   |
| Purchase of Property, Plant & Equipment and Intangible Assets   |            | (4,707.34)        |            | (3,331.64)        |
| Purchase of Investments   |            | (945.48)          |            | -                 |
| Sale of Property, Plant & Equipment   |            | 203.03            |            | 49.23             |
| Sale of Investments   |            | 0.08              |            | -                 |
| Interest Received   |            | 28.64             |            | 10.46             |
| Dividend Received   |            | 0.01              |            | 0.01              |
| <b>NET CASH FROM INVESTING ACTIVITIES</b>   |            | <b>(5,421.05)</b> |            | <b>(3,271.95)</b> |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>  |            |                   |            |                   |
| Proceeds/(Repayment) from Long Term Borrowings (including current maturities of long term borrowings) |            | -                 |            | (1,811.02)        |
| Proceeds/(Repayment) from Short Term Borrowings   |            | (3,915.00)        |            | 5,779.78          |
| Interest Paid   |            | (233.41)          |            | (138.65)          |
| Dividend Paid   |            | (1,184.04)        |            | (546.48)          |
| <b>NET CASH USED IN FINANCING ACTIVITIES</b>  |            | <b>(5,332.44)</b> |            | <b>3,283.63</b>   |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>  |            | <b>13.76</b>      |            | <b>5.08</b>       |
| Cash and Cash Equivalents as at beginning of the year   |            | 11.69             |            | 6.61              |
| Cash and Cash Equivalents as at end of the year (Note 12)   |            | <b>25.45</b>      |            | <b>11.69</b>      |

Refer Note 41 for changes in liabilities arising from financing activities.

The accompanying notes are an integral part of the Financial Statements.  
As per our report on even date.

For S S M & CO

Chartered Accountants

FRN: 129198W

For STEELCAST LIMITED

Subhash Sharma  
Chief Financial Officer

Umesh Bhatt  
Company Secretary

CA Sarju Mehta

Partner

M. No. 106804

Place: Bhavnagar

Date: 23 May 2023

For and on Behalf of the Board of Directors

Rushil C Tamboli

Director

DIN: 07807971

Place: Bhavnagar

Date: 23 May 2023

Chetan M Tamboli

Chairman & Managing

Director

DIN: 00028421

## Statement of Changes in Equity for the year ended 31 March 2023

### A Equity Share Capital:

(INR in Lakhs)

| Particulars  |                 |
|--|-----------------|
| <b>At 01 April 2021</b>                                    | 1,012.00        |
| Changes in Equity Share Capital due to prior period errors | -               |
| Restated balance as at 31 March 2021                       | 1,012.00        |
| Changes in Equity Share Capital                            | -               |
| <b>At 31 March 2022</b>                                    | 1,012.00        |
| Changes in Equity Share Capital due to prior period errors | -               |
| Restated balance as at 31 March 2022                       | 1,012.00        |
| Changes in Equity Share Capital                            | -               |
| <b>At 31 March 2023</b>                                    | <b>1,012.00</b> |

### B Other Equity

(INR in Lakhs)

| Particulars                       | Reserves & Surplus |                 |                 |                   | Total Other Equity |
|-----------------------------------|--------------------|-----------------|-----------------|-------------------|--------------------|
|                                   | Security Premium   | Capital Reserve | General Reserve | Retained Earnings |                    |
| <b>As at 31 March 2021</b>        | <b>1,916.18</b>    | <b>4.67</b>     | <b>5,797.79</b> | <b>4,146.74</b>   | <b>11,865.37</b>   |
| Net Profit for the period         | -                  | -               | -               | 3,327.19          | 3,327.19           |
| Other Comprehensive Income        | -                  | -               | -               | (2.66)            | (2.66)             |
| <b>Total Comprehensive Income</b> | -                  | -               | -               | 3,324.53          | 3,324.53           |
| Final Dividend                    | -                  | -               | -               | (546.48)          | (546.48)           |
| Interim Dividend                  | -                  | -               | -               | -                 | -                  |
| <b>As at 31 March 2022</b>        | <b>1,916.18</b>    | <b>4.67</b>     | <b>5,797.79</b> | <b>6,924.78</b>   | <b>14,643.41</b>   |
| Net Profit for the period         | -                  | -               | -               | 7,052.46          | 7,052.46           |
| Other Comprehensive Income        | -                  | -               | -               | (3.28)            | (3.28)             |
| <b>Total Comprehensive Income</b> | -                  | -               | -               | 7,049.18          | 7,049.18           |
| Final Dividend                    | -                  | -               | -               | (364.32)          | (364.32)           |
| Interim Dividend                  | -                  | -               | -               | (819.72)          | (819.72)           |
| <b>As at 31 March 2023</b>        | <b>1,916.18</b>    | <b>4.67</b>     | <b>5,797.79</b> | <b>12,789.93</b>  | <b>20,508.56</b>   |



# Notes to Financial Statements for the year ended 31 March 2023

## Note: 1 Corporate Information

The financial statements are of Steelcast Limited ('the Company') for the year ended 31st March 2023. The Company was incorporated on 11.02.1972. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is engaged in casting manufacturing business.

The registered office of the Company is located at Ruvapari Road, Bhavnagar, Gujarat – 364005.

The financial statements were authorized for issue in accordance with a resolution of the directors on 23rd May 2023.

## Note: 2 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared on an accrual basis and under the historical cost convention basis except for the following:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Defined benefit plans – plan assets measured at fair value.

### 2.1 Summary of significant accounting policies

#### A. Current versus non-current classification

All assets and liabilities are classified into current and non-current.

##### Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

##### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

##### Operating cycle

Based on the nature of services and the normal time between the acquisition of assets and their realization into cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

##### Deferred tax

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### B. Property, Plant and Equipment

Property, plant and equipment, capital work in progress are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price net of refundable taxes and any attributable cost of bringing the asset to its working condition for its intended use and initial estimate of decommissioning, restoring and

## Notes to Financial Statements for the year ended 31 March 2023

similar liabilities. Borrowing costs relating to acquisition of property, plant and equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Subsequent expenditure is capitalized only when it is probable that the future economic benefits of the expenditure will flow to the Company. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciation over their useful life. Otherwise, such items are classified as inventories.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the assets and has useful life that is materially different from that of the remaining asset.

### C. Depreciation on property, plant and equipment

Depreciation is provided on Straight Line Method in the manner specified in the Schedule II in accordance with the provisions of section 123(2) of the Companies Act, 2013. The identified components are depreciated over their useful lives; the remaining assets are depreciated over the life of the principal assets.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### D. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Software is amortized using the straight-line method over a period of 6 years. The amortization expense is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

### E. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

### F. Leases

#### Company as a lessee

The Company's lease asset consist of leases for land taken from Bhavnagar Municipal Corporation (BMC). The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

## Notes to Financial Statements for the year ended 31 March 2023

The consideration for the right to use leasehold lands over the lease term is paid upfront and these leases do not require payment of any material lease rent amount on recurring basis. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term or useful life of the underlying asset.

### G. Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Cost is determined on the following basis:

- Raw materials and stores and spares – on a weighted average method basis;
- Finished and semi-finished goods – at material cost plus direct expenses and appropriate value of overheads; cost of finished goods includes excise duty as applicable.

### H. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Revenue from sale of goods is recognized when significant risks and rewards of ownership are passed to the buyer, which generally coincides with dispatch of goods. Goods and Service Tax, Sales taxes and value added taxes, wherever applicable, are collected on behalf of the Government and therefore, excluded from the revenue.

Income from export incentives under various schemes notified by government is accounted on accrual basis.

The Company does not accrue interest on long-term advances received from customers towards supply of goods or services.

### I. Research & Development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- How the assets will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The liability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight line basis over the period of expected future benefit from the related project. Amortization is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

Revenue expenditure on Research & Development is charged to the statement of profit and loss for the year in which it is incurred. Capital expenditure on Research & Development is shown as an addition to property, plant and equipment and depreciated on the same basis as other assets.

### J. Foreign currency transactions

#### Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate prescribed fortnightly by the Central Board of Indirect Taxes and Customs (CBIC) for exports between the reporting currency and the foreign currency at the date of the transaction. This practice followed by the company is consistent with Para 22 of the Ind AS 21.

#### Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

#### Exchange Rate differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

## Notes to Financial Statements for the year ended 31 March 2023

### K. Employee benefits

#### Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the service.

#### Post-employment benefit plans

- i. Defined Contribution Plan: Contribution for provident fund are accrued in accordance with applicable statutes and deposited with the Regional Provident Fund Commissioner. Contribution for Superannuation in respect of certain employees of the company is made in accordance with the scheme with Life Insurance Corporation of India.
- ii. Defined Benefit Plan: The liability in respect of gratuity is determined using Projected Unit Credit Method with actuarial valuation carried out as at balance sheet date. Contributions in respect of gratuity are made to the Group Gratuity Scheme with Life Insurance Corporation of India. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
  - a. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
  - b. Net interest expense or income

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

#### Other long-term employee benefits

Long term compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per Projected Unit Credit method. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

### L. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing 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 capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

### M. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

## Notes to Financial Statements for the year ended 31 March 2023

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax asset is reviewed as at each balance sheet date and written down or written up to reflect whether taxable profit will be available or not.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

### N. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

#### (i) Financial assets

##### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

##### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

##### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

##### Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

## Notes to Financial Statements for the year ended 31 March 2023

### Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. The company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value in case of equity investments which are not held for trading. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

### De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets which are measured at amortised cost or FVOCI.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

## Notes to Financial Statements for the year ended 31 March 2023

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected in a separate line in the P&L as an impairment gain or loss.

For financial assets measured as at amortised cost, ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

### (ii) Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

#### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

#### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

#### De-recognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### (iii) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's management determines change in the business model as a result of external or internal changes which are

## Notes to Financial Statements for the year ended 31 March 2023

significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### (iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### O. Derivative accounting

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

### P. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- **Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### Q. Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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



## Notes to Financial Statements for the year ended 31 March 2023

### **R. Provisions**

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

### **S. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.



## Notes to Financial Statements for the year ended 31 March 2023

### 3 Property, Plant and Equipment & Capital Work-in-Progress

| Particulars   | (INR in Lakhs)         |                             |                 |                   |               |                     |                  |                                |
|---|------------------------|-----------------------------|-----------------|-------------------|---------------|---------------------|------------------|--------------------------------|
|   | Freehold Land (Note 2) | Leasehold Land (Note 1 & 2) | Buildings       | Plant & Machinery | Vehicles      | Furniture & Fixture | Office Equipment | Total Capital Work-in-Progress |
| <b>Cost or Deemed Cost (Gross Carrying Amount)</b>    |                        |                             |                 |                   |               |                     |                  |                                |
| <b>As at 31 March 2021</b>                            | <b>467.38</b>          | <b>1,023.03</b>             | <b>3,251.19</b> | <b>10,421.09</b>  | <b>225.17</b> | <b>83.11</b>        | <b>71.63</b>     | <b>15,542.61</b>               |
| Additions   | 10.53                  | -                           | 832.03          | 2,009.25          | 25.00         | 5.35                | 35.07            | 2,917.24                       |
| Deductions  | -                      | -                           | -               | 285.11            | 13.59         | 0.81                | 30.70            | 330.20                         |
| <b>As at 31 March 2022</b>                            | <b>477.91</b>          | <b>1,023.03</b>             | <b>4,083.22</b> | <b>12,145.23</b>  | <b>236.59</b> | <b>87.65</b>        | <b>76.01</b>     | <b>18,129.65</b>               |
| Additions   | 205.15                 | -                           | 530.37          | 4,339.97          | 71.41         | 2.65                | 38.36            | 5,187.92                       |
| Deductions  | -                      | -                           | 38.12           | 491.45            | 32.83         | -                   | 5.41             | 567.81                         |
| <b>As at 31 March 2023</b>                            | <b>683.07</b>          | <b>1,023.03</b>             | <b>4,575.47</b> | <b>15,993.76</b>  | <b>275.17</b> | <b>90.30</b>        | <b>108.96</b>    | <b>22,749.76</b>               |
| <b>Accumulated Depreciation and Impairment Losses</b> |                        |                             |                 |                   |               |                     |                  |                                |
| <b>As at 31 March 2021</b>                            | -                      | <b>103.40</b>               | <b>539.21</b>   | <b>5,046.75</b>   | <b>66.13</b>  | <b>47.79</b>        | <b>32.50</b>     | <b>5,835.78</b>                |
| Depreciation for the Year                             | -                      | 19.87                       | 115.54          | 1,531.54          | 29.97         | 9.95                | 13.14            | 1,720.01                       |
| Deductions  | -                      | -                           | -               | 261.67            | 7.57          | 0.77                | 28.63            | 298.64                         |
| <b>As at 31 March 2022</b>                            | -                      | <b>123.26</b>               | <b>654.74</b>   | <b>6,316.62</b>   | <b>88.53</b>  | <b>56.98</b>        | <b>17.02</b>     | <b>7,257.15</b>                |
| Depreciation for the Year                             | -                      | 19.87                       | 129.04          | 1,571.66          | 32.25         | 8.99                | 20.06            | 1,781.86                       |
| Deductions  | -                      | -                           | 1.12            | 414.76            | 20.68         | -                   | 4.90             | 441.47                         |
| <b>As at 31 March 2023</b>                            | -                      | <b>143.13</b>               | <b>782.66</b>   | <b>7,473.52</b>   | <b>100.10</b> | <b>65.97</b>        | <b>32.17</b>     | <b>8,597.55</b>                |
| <b>Net Block</b>                                      |                        |                             |                 |                   |               |                     |                  |                                |
| <b>As at 31 March 2023</b>                            | <b>683.07</b>          | <b>879.90</b>               | <b>3,792.81</b> | <b>8,520.24</b>   | <b>175.07</b> | <b>24.34</b>        | <b>76.78</b>     | <b>14,152.21</b>               |
| <b>As at 31 March 2022</b>                            | <b>477.91</b>          | <b>899.77</b>               | <b>3,428.48</b> | <b>5,828.61</b>   | <b>148.06</b> | <b>30.67</b>        | <b>58.99</b>     | <b>10,872.49</b>               |

#### Note:

- The Company has lease contracts for various lands taken from Bhavnagar Municipal Corporation (BMC). These leases have lease terms between 25 to 99 years. The consideration for the right to use these lands over the lease term is paid upfront and these leases do not require payment of any material lease rent amount on recurring basis. The respective column in above table represents the carrying amount of right-of-use asset recognised with respect to lands taken on lease and the movements during the period.
- Land Plot no. 148 situated in Gujarat Industrial Development Corporation (GIDC) - Vartej regrouped from freehold to leasehold land.
- Working Capital Finance (in Rupee Accounts) is secured against first pari passu charge on inventory and book debts and second charge on gross block of fixed assets of the Company and further guaranteed by one of the Directors.

## Notes to Financial Statements for the year ended 31 March 2023

### 3 Property, Plant and Equipment & Capital Work-in-Progress

#### Capital Work-in-Progress (CWIP) Ageing Schedule

As at 31 March 2023 (INR in Lakhs)

| 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           | 13.89                          | -         | -         | -                 | 13.89        |
| Projects temporarily suspended | -                              | -         | -         | -                 | -            |
| <b>Total</b>                   | <b>13.89</b>                   | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>13.89</b> |

As at 31 March 2022 (INR in Lakhs)

| Particulars                    | Amount in CWIP for a period of |           |           |                   | Total         |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|---------------|
|                                | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |               |
| <b>Projects in progress</b>    | 496.05                         | -         | -         | -                 | 496.05        |
| Projects temporarily suspended | -                              | -         | -         | -                 | 0.00          |
| <b>Total</b>                   | <b>496.05</b>                  | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>496.05</b> |

**CWIP completion schedule for projects where completion is overdue or has exceeded its cost compared to its original plan**

There was no project overdue as on 31st March 2023 and as on 31st March 2022 nor exceeded its cost compared to its original plan during the FY 2022-23 and FY 2021-22.

### 4 Intangible Assets

| Particulars   | (INR in Lakhs) |
|---|----------------|
|   | Software       |
| <b>Cost or Deemed Cost (Gross Carrying Amount)</b>    |                |
| <b>As at 31 March 2021</b>                            | <b>398.25</b>  |
| Additions   | 2.95           |
| Deductions  | -              |
| <b>As at 31 March 2022</b>                            | <b>401.20</b>  |
| Additions   | 1.58           |
| Deductions  | -              |
| <b>As at 31 March 2023</b>                            | <b>402.77</b>  |
| <b>Accumulated Amortization and Impairment Losses</b> |                |
| <b>As at 31 March 2021</b>                            | <b>283.65</b>  |
| Amortization for the Year                             | 51.58          |
| Deductions  | -              |
| <b>As at 31 March 2022</b>                            | <b>335.23</b>  |
| Amortization for the Year                             | 32.51          |
| Deductions  | -              |
| <b>As at 31 March 2023</b>                            | <b>367.74</b>  |
| <b>Net Block</b>                                      |                |
| <b>As at 31 March 2023</b>                            | <b>35.03</b>   |
| <b>As at 31 March 2022</b>                            | <b>65.97</b>   |

## Notes to Financial Statements for the year ended 31 March 2023

### 5 Investments

| Particulars   | (INR in Lakhs) |               |
|---|----------------|---------------|
|   | 31 March 2023  | 31 March 2022 |
| <b>Investments at FVOCI (fully paid)</b>  |                |               |
| Investment in equity shares (Quoted)  |                |               |
| 500 (31 March 2022: 500) Equity shares of Ausom Enterprise Limited (Face Value Rs.10 per share)   | 0.29           | 0.33          |
| 50 (31 March 2022: NIL) Equity shares of Uni Abex Alloy Products Ltd. (Face Value Rs.10 per share)  | 0.49           | 0.29          |
| Investment in equity shares (Unquoted)  |                |               |
| 43,000 (31 March 2022: 43,000) Equity Shares of Bhadreshwar Vidyut Private Limited (Face Value Rs. 0.19 per share)                            | -              | 0.08          |
| * 4,45,500 (31 March 2022: Nil) Equity Shares of AMP Energy Green Nine Private Limited (Face Value Rs.10 per share)                           | 44.55          | -             |
| <b>Investments at FVTPL (fully paid)</b>  |                |               |
| Investment in compulsory convertible debentures (Unquoted)  |                |               |
| * 40,095 (31 March 2022: Nil) compulsory convertible debentures of AMP Energy Green Nine Private Limited (Face Value Rs.1,000 per debentures) | 400.95         | -             |
| <b>Investments at amortised cost</b>  |                |               |
| 300 (31 March 2022: 300) Investment in Gold Sovereign Bonds (Unquoted)  | 8.55           | 8.55          |
|   | <b>454.82</b>  | <b>9.25</b>   |
| Aggregate amount of quoted investment and market value thereof  | 0.78           | 0.62          |
| Aggregate amount of unquoted investment   | <b>454.05</b>  | <b>8.63</b>   |

#### Investments at FVOCI

Investments at FVOCI reflect investment in quoted and unquoted equity securities. These equity shares are designated as FVOCI as they are not held for trading purpose and are not in similar line of business as the Company. Thus, disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding. The Company has not transferred any gain or loss within equity in the previous year. Refer note 42 for determination of their fair values.

### 6 Loans

| Particulars                                   | (INR in Lakhs) |               |
|---|----------------|---------------|
|   | 31 March 2023  | 31 March 2022 |
| Secured Considered Good (at amortised cost)   |                |               |
| Loans to others (Note No. 1)                  | 53.63          | -             |
| Unsecured Considered Good (at amortised cost) |                |               |
| Loans to employees                            | -              | -             |
| Loans to others (Note No. 1)                  | -              | -             |
|   | <b>53.63</b>   | <b>-</b>      |

#### Notes:

1. All the above loans & advances have been given for the business purposes.

### 7 Other Financial Assets

| Particulars                            | (INR in Lakhs) |               |
|--|----------------|---------------|
|  | 31 March 2023  | 31 March 2022 |
| Financial instrument at amortised cost |                |               |
| Security Deposits                      | 4.03           | 4.19          |
|  | <b>4.03</b>    | <b>4.19</b>   |

## Notes to Financial Statements for the year ended 31 March 2023

### 8 Other Assets

| Particulars      | (INR in Lakhs)  |                 |
|------------------|-----------------|-----------------|
|                  | 31 March 2023   | 31 March 2022   |
| Capital Advances | 1,017.27        | 1,098.61        |
|                  | <b>1,017.27</b> | <b>1,098.61</b> |

### 9 Inventories

| Particulars  | (INR in Lakhs)  |                 |
|--|-----------------|-----------------|
|  | 31 March 2023   | 31 March 2022   |
| <b>Inventories (At lower of cost and net realisable value)</b> |                 |                 |
| Raw Materials  | 690.23          | 637.88          |
| Work-in-Progress   | 3,050.66        | 4,362.36        |
| Finished Goods   | 196.31          | 71.83           |
| Stores and Spares  | 1,153.79        | 1,085.30        |
|  | <b>5,090.99</b> | <b>6,157.37</b> |

### 10 Investments

| Particulars   | (INR in Lakhs) |               |
|---|----------------|---------------|
|   | 31 March 2023  | 31 March 2022 |
| <b>Investments at FVTPL (fully paid)</b>                            |                |               |
| Investment in mutual fund (Quoted)                                  |                |               |
| 38,32,400.745 units (31 March 2022: Nil) of SBI Corporate Bond Fund | 500.67         | -             |
|   | <b>500.67</b>  | <b>-</b>      |

### 11 Trade Receivables

| Particulars   | (INR in Lakhs)  |                 |
|---|-----------------|-----------------|
|   | 31 March 2023   | 31 March 2022   |
| <b>Trade Receivables</b>  |                 |                 |
| (a) Considered good – Secured;  |                 |                 |
| (b) Considered good – Unsecured;  | 7,745.25        | 7,518.83        |
| (c) Trade Receivables which have significant increase in Credit Risk; and | -               | -               |
| (d) Trade Receivables – Credit Impaired                                   | -               | -               |
|   | <b>7,745.25</b> | <b>7,518.83</b> |
| <b>Impairment Allowance (allowance for bad and doubtful debts)</b>        |                 |                 |
| (a) Considered good – Unsecured;  | (0.06)          | (2.73)          |
| (b) Trade Receivables which have significant increase in Credit Risk; and | -               | -               |
| (c) Trade Receivables – Credit Impaired                                   | -               | -               |
|   | <b>(0.06)</b>   | <b>(2.73)</b>   |
|   | <b>7,745.20</b> | <b>7,516.10</b> |

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 145 days.

## Notes to Financial Statements for the year ended 31 March 2023

### Trade receivables Ageing Schedule

As at 31 March 2023

(INR in Lakhs)

| Particulars   | Current but not due | Outstanding for following periods from due date of payment |                   |              |             |                   | Total           |
|---|---------------------|--|-------------------|--------------|-------------|-------------------|-----------------|
|   |                     | Less than 6 months   | 6 months - 1 year | 1-2 years    | 2-3 years   | More than 3 years |                 |
| Undisputed Trade Receivables – considered good                                | 7,606.46            | 34.57  | 47.29             | 53.45        | 3.49        | -                 | 7,745.25        |
| Undisputed Trade Receivables – which have significant increase in credit risk | -                   | -  | -                 | -            | -           | -                 | -               |
| Undisputed Trade receivable – credit impaired                                 | -                   | -  | -                 | -            | -           | -                 | -               |
| Disputed Trade receivables - considered good                                  | -                   | -  | -                 | -            | -           | -                 | -               |
| Disputed Trade receivables – which have significant increase in credit risk   | -                   | -  | -                 | -            | -           | -                 | -               |
| Disputed Trade receivables – credit impaired                                  | -                   | -  | -                 | -            | -           | -                 | -               |
| <b>Total</b>  | <b>7,606.46</b>     | <b>34.57</b>   | <b>47.29</b>      | <b>53.45</b> | <b>3.49</b> | <b>-</b>          | <b>7,745.25</b> |

As at 31 March 2022

(INR in Lakhs)

| Particulars   | Current but not due | Outstanding for following periods from due date of payment |                   |             |           |                   | Total           |
|---|---------------------|--|-------------------|-------------|-----------|-------------------|-----------------|
|   |                     | Less than 6 months   | 6 months - 1 year | 1-2 years   | 2-3 years | More than 3 years |                 |
| Undisputed Trade Receivables – considered good                                | 7,004.60            | 447.97   | 62.76             | 3.50        | -         | -                 | 7,518.83        |
| Undisputed Trade Receivables – which have significant increase in credit risk | -                   | -  | -                 | -           | -         | -                 | -               |
| Undisputed Trade receivable – credit impaired                                 | -                   | -  | -                 | -           | -         | -                 | -               |
| Disputed Trade receivables - considered good                                  | -                   | -  | -                 | -           | -         | -                 | -               |
| Disputed Trade receivables – which have significant increase in credit risk   | -                   | -  | -                 | -           | -         | -                 | -               |
| Disputed Trade receivables – credit impaired                                  | -                   | -  | -                 | -           | -         | -                 | -               |
| <b>Total</b>  | <b>7,004.60</b>     | <b>447.97</b>  | <b>62.76</b>      | <b>3.50</b> | <b>-</b>  | <b>-</b>          | <b>7,518.83</b> |

### 12 Cash and Cash Equivalents

(INR in Lakhs)

| Particulars   | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| Balance with Bank   |               |               |
| - In Current Account  | 2.29          | 0.54          |
| - In Deposit Account (with original maturity upto 3 months) | -             | -             |
| Cash on Hand  | 23.16         | 11.15         |
|   | <b>25.45</b>  | <b>11.69</b>  |

### 13 Other Bank Balances

(INR in Lakhs)

| Particulars  | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| Deposits (with original maturity of more than 12 months) | -             | -             |
| Unpaid Dividend Accounts                                 | 34.37         | 14.23         |
| Margin Money Deposits                                    | 285.63        | 186.08        |
|  | <b>319.99</b> | <b>200.31</b> |

## Notes to Financial Statements for the year ended 31 March 2023

### 14 Loans

| Particulars                                   | (INR in Lakhs) |               |
|---|----------------|---------------|
|   | 31 March 2023  | 31 March 2022 |
| Secured Considered Good (at amortised cost)   | -              | -             |
| Loans to others (Note No. 1)                  | 93.50          | -             |
| Unsecured Considered Good (at amortised cost) | -              | -             |
| Loans to employees                            | 22.77          | 20.20         |
| Loans to others (Note No. 1)                  | 34.71          | 14.98         |
|   | <b>150.97</b>  | <b>35.18</b>  |

#### Notes:

1. All the above loans & advances have been given for the business purposes.

### 15 Other Financial Assets

| Particulars                             | (INR in Lakhs) |               |
|---|----------------|---------------|
|   | 31 March 2023  | 31 March 2022 |
| Interest Receivable Accrued but not due | 0.04           | 1.30          |
| Other Financial Assets                  | -              | -             |
|   | <b>0.04</b>    | <b>1.30</b>   |

### 16 Other Assets

| Particulars                             | (INR in Lakhs) |                 |
|---|----------------|-----------------|
|   | 31 March 2023  | 31 March 2022   |
| Balances with Government Authorities    | 455.19         | 604.95          |
| DEPB and Dutydraw Back Claim Receivable | 140.73         | 69.34           |
| Trade Advance to Suppliers              | 203.90         | 380.15          |
| Prepaid Expenses                        | 134.79         | 78.78           |
| Advances to Staff                       | 4.70           | 1.74            |
| Other Current Assets                    | 0.85           | 0.96            |
|   | <b>940.17</b>  | <b>1,135.92</b> |

#### Break up of Financial Assets carried at Amortised Cost

| Particulars                                | (INR in Lakhs)  |                 |
|--|-----------------|-----------------|
|  | 31 March 2023   | 31 March 2022   |
| Investment in Gold Soverien Bonds (Note 5) | 8.55            | 8.55            |
| Loans (Note 6 & 14)                        | 204.60          | 35.18           |
| Trade Receivables (Note 11)                | 7,745.20        | 7,516.10        |
| Cash and Cash Equivalents (Note 12)        | 25.45           | 11.69           |
| Other Bank Balances (Note 13)              | 319.99          | 200.31          |
| Other Financial Assets (Note 7 & 15)       | 4.07            | 5.49            |
|  | <b>8,307.85</b> | <b>7,777.32</b> |

#### Break up of financial assets carried at fair value through profit and loss

| Particulars  | (INR in Lakhs) |               |
|--|----------------|---------------|
|  | 31 March 2023  | 31 March 2022 |
| Investment in mutual fund (Quoted) (Note 10)             | 500.67         | -             |
| Investment in convertible debentures (Unquoted) (Note 5) | 400.95         | -             |
|  | <b>901.62</b>  | <b>-</b>      |

#### Break up of financial assets carried at fair value through other comprehensive income

| Particulars  | (INR in Lakhs) |               |
|--|----------------|---------------|
|  | 31 March 2023  | 31 March 2022 |
| Investment in Equity Instruments (Quoted) (Note 5)   | 0.78           | 0.62          |
| Investment in Equity Instruments (Unquoted) (Note 5) | 44.55          | 0.08          |
|  | <b>45.33</b>   | <b>0.70</b>   |

## Notes to Financial Statements for the year ended 31 March 2023

### 17 Equity Share Capital

#### A Authorised Share Capital

(INR in Lakhs)

| Particulars                         | Equity Shares of INR 5 each |                 |
|-------------------------------------|-----------------------------|-----------------|
|                                     | No. of Shares               | Amount          |
| <b>As at 31 March 2021</b>          | 3,00,00,000                 | 1,500.00        |
| Increase/(Decrease) during the year | -                           | -               |
| <b>As at 31 March 2022</b>          | 3,00,00,000                 | 1,500.00        |
| Increase/(Decrease) during the year | -                           | -               |
| <b>As at 31 March 2023</b>          | <b>3,00,00,000</b>          | <b>1,500.00</b> |

#### B Terms/Rights attached to Equity Shares

The Company has one class of shares referred to as Equity Shares having a par value of INR 5 each. Each shareholder is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### C Issued Equity Capital

(INR in Lakhs)

| Equity Shares of INR 5 each Issued, Subscribed and Fully Paid | Equity Shares of INR 5 each |                 |
|---|-----------------------------|-----------------|
|   | No. of Shares               | Amount          |
| <b>As at 31 March 2021</b>                                    | 2,02,40,000                 | 1,012.00        |
| Changes during the year                                       | -                           | -               |
| <b>As at 31 March 2022</b>                                    | 2,02,40,000                 | 1,012.00        |
| Changes during the year                                       | -                           | -               |
| <b>As at 31 March 2023</b>                                    | <b>2,02,40,000</b>          | <b>1,012.00</b> |

**D** Of the total Share Capital 1,31,16,000 Equity Shares were issued as fully paid up Bonus Shares.

#### E Details of Shareholders Holding more than 5% shares in the Company

| Name of the Shareholder   | 31 March 2023    |             | 31 March 2022    |             |
|---------------------------|------------------|-------------|------------------|-------------|
|                           | No. of Shares    | % Holding   | No. of Shares    | % Holding   |
| Shri Chetan M Tamboli     | 35,19,420        | 17.39       | 35,19,420        | 17.39       |
| Mrs. Manali C Tamboli     | 14,29,086        | 7.06        | 14,29,086        | 7.06        |
| Tamboli Trading LLP       | 19,63,200        | 9.70        | 19,63,200        | 9.70        |
| Rushil Industries Limited | <b>15,76,000</b> | <b>7.79</b> | <b>15,76,000</b> | <b>7.79</b> |

#### F Details of equity shares held by promoters

##### As at 31 March 2023

| Name of promoter          | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of Total Shares | % change during the year |
|---------------------------|--|------------------------|--------------------------------------|-------------------|--------------------------|
| Shri Chetan M Tamboli     | 35,19,420                                  | -                      | 35,19,420                            | 17.39             | 0.00                     |
| Mrs. Manali C Tamboli     | 14,29,086                                  | -                      | 14,29,086                            | 7.06              | 0.00                     |
| Tamboli Trading LLP       | 19,63,200                                  | -                      | 19,63,200                            | 9.70              | 0.00                     |
| Rushil Industries Limited | 15,76,000                                  | -                      | 15,76,000                            | 7.79              | 0.00                     |
| Chetan M Tamboli (HUF)    | 8,35,320                                   | -                      | 8,35,320                             | 4.13              | 0.00                     |
| Mrs. Hansa M Tamboli      | 1,120                                      | -                      | 1,120                                | 0.01              | 0.00                     |
| <b>Total</b>              | <b>93,24,146</b>                           | -                      | <b>93,24,146</b>                     | <b>46.07</b>      | <b>0.00</b>              |



## Notes to Financial Statements for the year ended 31 March 2023

### 17 Equity Share Capital (contd.)

#### As at 31 March 2022

| Name of promoter          | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of Total Shares | % change during the year |
|---------------------------|--|------------------------|--------------------------------------|-------------------|--------------------------|
| Shri Chetan M Tamboli     | 33,19,420                                  | 2,00,000               | 35,19,420                            | 17.39             | 6.03                     |
| Mrs. Manali C Tamboli     | 12,29,480                                  | 1,99,606               | 14,29,086                            | 7.06              | 16.23                    |
| Tamboli Trading LLP       | 19,63,200                                  | -                      | 19,63,200                            | 9.70              | 0.00                     |
| Rushil Industries Limited | 15,76,000                                  | -                      | 15,76,000                            | 7.79              | 0.00                     |
| Chetan M Tamboli (HUF)    | 8,35,320                                   | -                      | 8,35,320                             | 4.13              | 0.00                     |
| Mrs. Hansa M Tamboli      | 1,120                                      | -                      | 1,120                                | 0.01              | 0.00                     |
| <b>Total</b>              | <b>89,24,540</b>                           | <b>3,99,606</b>        | <b>93,24,146</b>                     | <b>46.07</b>      | <b>4.48</b>              |

#### G Distribution made and proposed

| Particulars   | (INR in Lakhs) |               |
|---|----------------|---------------|
|   | 31 March 2023  | 31 March 2022 |
| <b>Dividends on equity shares declared and paid:</b>  |                |               |
| Final dividend for the year ended on 31 March 2022: INR 1.80 per share (31 March 2021: INR 1.35 per share)      | 364.32         | 273.24        |
| Interim dividend for the year ended on 31 March 2023: INR 4.05 per share (31 March 2022: INR 1.35 per share)    | 819.72         | 273.24        |
| <b>Interim Dividend on Equity shares declared and to be paid:</b>   |                |               |
| An Interim dividend for the year ended on 31 March 2023: INR 3.15 per share (31 March 2022: INR 0.00 per share) | 637.56         | -             |
| <b>Proposed dividends on Equity shares:</b>   |                |               |
| Proposed dividend for the year ended on 31 March 2023: INR 2.70 per share (31 March 2022: INR 1.80 per share)   | 546.48         | 364.32        |

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March.

### 18 Other Equity

| Particulars                         | (INR in Lakhs)  |
|-------------------------------------|-----------------|
|                                     |                 |
| <b>Securities Premium</b>           |                 |
| <b>As at 31 March 2021</b>          | <b>1,916.18</b> |
| Increase/(Decrease) during the year | -               |
| <b>As at 31 March 2022</b>          | <b>1,916.18</b> |
| Increase/(Decrease) during the year | -               |
| <b>As at 31 March 2023</b>          | <b>1,916.18</b> |
| <b>Capital Reserve</b>              |                 |
| <b>As at 31 March 2021</b>          | <b>4.67</b>     |
| Increase/(Decrease) during the year | -               |
| <b>As at 31 March 2022</b>          | <b>4.67</b>     |
| Increase/(Decrease) during the year | -               |
| <b>As at 31 March 2023</b>          | <b>4.67</b>     |
| <b>General Reserve</b>              |                 |
| <b>As at 31 March 2021</b>          | <b>5,797.79</b> |
| Increase/(Decrease) during the year | -               |
| <b>As at 31 March 2022</b>          | <b>5,797.79</b> |
| Increase/(Decrease) during the year | -               |
| <b>As at 31 March 2023</b>          | <b>5,797.79</b> |
| <b>Retained Earnings</b>            |                 |

## Notes to Financial Statements for the year ended 31 March 2023

### 18 Other Equity (contd.)

|   | (INR in Lakhs)   |
|---|------------------|
| <b>Particulars</b>                            |                  |
| <b>As at 31 March 2021</b>                    | <b>4,146.74</b>  |
| Add / (Less): Profit / (Loss) during the year | 3,327.19         |
| Add / (Less): Other Comprehensive Income      | (2.66)           |
| (Less): Appropriations                        |                  |
| Final Dividend on Equity Shares               | (546.48)         |
| Interim Dividend on Equity Shares             | -                |
| <b>As at 31 March 2022</b>                    | <b>6,924.78</b>  |
| Add / (Less): Profit / (Loss) during the year | 7,052.46         |
| Add / (Less): Other Comprehensive Income      | (3.28)           |
| (Less): Appropriations                        |                  |
| Final Dividend on Equity Shares               | (364.32)         |
| Interim Dividend on Equity Shares             | (819.72)         |
| <b>As at 31 March 2023</b>                    | <b>12,789.93</b> |

**Securities Premium** – Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to “Securities Premium Reserve”. The Company may issue fully paid-up bonus shares to its members out of the securities premium reserve and the Company can use this reserve for buy-back of shares.

**Capital Reserve** - It represents gain of capital nature which mainly includes gain on reissue of forfeited shares.

**General Reserve** - General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend and issue of fully paid-up and not paid-up bonus shares.

**Retained Earnings** - Retained Earnings are the profits that the Company has earned till date, less any transfers to General reserve and payment of dividend.

### 19 Non-Current Provisions

|                                 | (INR in Lakhs)       |                      |
|---------------------------------|----------------------|----------------------|
| <b>Particulars</b>              | <b>31 March 2023</b> | <b>31 March 2022</b> |
| Provision for Employee Benefits |                      |                      |
| Provision for Leave Encashment  | 128.56               | 105.30               |
| Provision for Gratuity          | -                    | -                    |
|                                 | <b>128.56</b>        | <b>105.30</b>        |

### 20 Deferred Tax Liabilities

The income tax expense consists of the following for the years ended 31 March 2023 and 31 March 2022:

| <b>Statement of Profit and Loss:</b>   |                   | (INR in Lakhs)    |  |
|--|-------------------|-------------------|--|
| <b>Particulars</b>   | <b>FY 2022-23</b> | <b>FY 2021-22</b> |  |
| <b>Profit or Loss Section</b>  |                   |                   |  |
| <b>Current Income Tax:</b>   |                   |                   |  |
| Current Income Tax charge  | 2,395.72          | 1,327.95          |  |
| Adjustments in respect of current Income Tax of previous year                                | (19.41)           | (15.97)           |  |
| <b>Deferred Tax:</b>   |                   |                   |  |
| Relating to origination and reversal of temporary differences                                | 23.32             | (166.20)          |  |
| Relating to changes in tax rates   | -                 | -                 |  |
| <b>Income tax expense reported in profit or loss section</b>                                 | <b>2,399.63</b>   | <b>1,145.77</b>   |  |
| <b>Other Comprehensive Income (OCI) Section</b>  |                   |                   |  |
| Deferred Tax related to items recognised in OCI during in the year:                          |                   |                   |  |
| Deferred Tax Liability/(Asset) on Net Loss/(Gain) on Remeasurements of Defined Benefit Plans | (1.16)            | (1.03)            |  |
|  | <b>(1.16)</b>     | <b>(1.03)</b>     |  |

## Notes to Financial Statements for the year ended 31 March 2023

### 20 Deferred Tax Liabilities (contd.)

| Reconciliation of Deferred Tax Liability, Net                       |               |               | (INR in Lakhs) |
|---|---------------|---------------|----------------|
| Particulars   | 31 March 2023 | 31 March 2022 |                |
| Opening Balance as of 1st April                                     | 671.76        | 838.99        |                |
| Tax (income)/expense during the period recognised in Profit or Loss | 23.32         | (166.20)      |                |
| Tax (income)/expense during the period recognised in OCI            | (1.16)        | (1.03)        |                |
| <b>Closing Balance as at 31st March</b>                             | <b>693.92</b> | <b>671.76</b> |                |

|                                |               |               | (INR in Lakhs) |
|--------------------------------|---------------|---------------|----------------|
| Particulars                    | 31 March 2023 | 31 March 2022 |                |
| Deferred Tax Liabilities (Net) | 693.92        | 671.76        |                |
|                                | <b>693.92</b> | <b>671.76</b> |                |

Pursuant to The Taxation Laws (Amendment) Act, 2019 dated December 02, 2019, the Company had decided to avail the option under section 115BAA of lower rate of income tax @ 22.00 % (Basic Income Tax rate 22.00 % + Surcharge 10.00 % + Health & education cess 4.00 %, total gross rate 25.168 %) from the financial year 2020-21.

### 21 Short-Term Borrowings

|  |                 |                 | (INR in Lakhs) |
|--|-----------------|-----------------|----------------|
| Particulars  | 31 March 2023   | 31 March 2022   |                |
| <b>Secured</b>   |                 |                 |                |
| Loans Repayable on Demand                                  |                 |                 |                |
| Working Capital Finance from Banks (in Rupee Accounts) (1) | 2,364.86        | 6,279.86        |                |
|  | <b>2,364.86</b> | <b>6,279.86</b> |                |

#### Notes:

- (1) Working Capital Finance (in Rupee Accounts) is secured against first pari passu charge on inventory and book debts and second charge on gross block of fixed assets of the Company and further guaranteed by one of the Directors. These loans are repayable on demand. These working capital borrowings carry interest rate ranging from 4.65% (considering interest subvention/subsidy) to 9.75%.
- (2) The quarterly returns and statements of current assets filed by the Company with banks with respect to the working capital loan taken from banks are in agreement with the books of accounts.

### 22 Trade Payable:

|   |                 |                 | (INR in Lakhs) |
|---|-----------------|-----------------|----------------|
| Particulars   | 31 March 2023   | 31 March 2022   |                |
| Trade Payable   |                 |                 |                |
| (a) Total outstanding dues of Micro Enterprises and Small Enterprises; and                  | -               | -               |                |
| (b) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises. | 4,113.72        | 3,568.70        |                |
|   | <b>4,113.72</b> | <b>3,568.70</b> |                |

#### Note:

#### DUES TO MICRO AND SMALL ENTERPRISES

The Company does not have dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). There are no disclosures pursuant to the said MSMED Act to mention herein.

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

## Notes to Financial Statements for the year ended 31 March 2023

### 22 Trade Payable: (contd.)

#### Trade payables Ageing Schedule

As at 31 March 2023

(INR in Lakhs)

| Particulars  | Outstanding for following periods from due date of payment |                   |           |           |                   | Total           |
|--|--|-------------------|-----------|-----------|-------------------|-----------------|
|  | Less than 6 months   | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years |                 |
| Total outstanding dues of micro enterprises and small enterprises                      | -  | -                 | -         | -         | -                 | -               |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 4,113.72   | -                 | -         | -         | -                 | 4,113.72        |
| Disputed dues of micro enterprises and small enterprises                               | -  | -                 | -         | -         | -                 | -               |
| Disputed dues of creditors other than micro enterprises and small enterprises          | -  | -                 | -         | -         | -                 | -               |
| <b>Total</b>   | <b>4,113.72</b>  | <b>-</b>          | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>4,113.72</b> |

As at 31 March 2022

(INR in Lakhs)

| Particulars  | Outstanding for following periods from due date of payment |                   |           |           |                   | Total           |
|--|--|-------------------|-----------|-----------|-------------------|-----------------|
|  | Less than 6 months   | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years |                 |
| Total outstanding dues of micro enterprises and small enterprises                      | -  | -                 | -         | -         | -                 | -               |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 3,568.70   | -                 | -         | -         | -                 | 3,568.70        |
| Disputed dues of micro enterprises and small enterprises                               | -  | -                 | -         | -         | -                 | -               |
| Disputed dues of creditors other than micro enterprises and small enterprises          | -  | -                 | -         | -         | -                 | -               |
| <b>Total</b>   | <b>3,568.70</b>  | <b>-</b>          | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>3,568.70</b> |

### 23 Other Financial Liabilities

(INR in Lakhs)

| Particulars                                | 31 March 2023   | 31 March 2022   |
|--|-----------------|-----------------|
| Interest Accrued but not due on Borrowings |                 |                 |
| Payable to Employees                       | 437.35          | 295.19          |
| Unclaimed Dividend                         | 34.37           | 14.23           |
| Payable for Capital Goods                  | 301.25          | 401.04          |
| Directors Commission Payable               | 444.94          | 234.65          |
| Other Financial Liabilities                | 224.57          | 126.84          |
|  | <b>1,442.47</b> | <b>1,071.95</b> |

### 24 Other Liabilities

(INR in Lakhs)

| Particulars              | 31 March 2023 | 31 March 2022 |
|--------------------------|---------------|---------------|
| Contract Liabilities:    |               |               |
| - Advance from Customers | 6.88          | 37.77         |
| Statutory Liabilities    | 89.40         | 78.67         |
| Others Liabilities       | 1.41          | 0.18          |
|                          | <b>97.68</b>  | <b>116.62</b> |

### 25 Current Provisions

(INR in Lakhs)

| Particulars                     | 31 March 2023 | 31 March 2022 |
|---------------------------------|---------------|---------------|
| Provision for Employee Benefits |               |               |
| Provision for Leave Encachment  | 16.37         | 16.71         |
| Provision for Gratuity          | 90.71         | 92.01         |
|                                 | <b>107.08</b> | <b>108.72</b> |

## Notes to Financial Statements for the year ended 31 March 2023

### 26 Current Tax Liabilities (Net)

| Particulars                                      | (INR in Lakhs) |               |
|--|----------------|---------------|
|  | 31 March 2023  | 31 March 2022 |
| Income Tax Liability (Net of Advance Taxes Paid) | 35.50          | 26.11         |
|  | <b>35.50</b>   | <b>26.11</b>  |

| Break up of Financial Liabilities carried at Amortised Cost | (INR in Lakhs)  |                  |
|---|-----------------|------------------|
|   | 31 March 2023   | 31 March 2022    |
| Borrowings (Note 21)  | 2,364.86        | 6,279.86         |
| Trade Payable (Note 22)                                     | 4,113.72        | 3,568.70         |
| Other Financial Liabilities (Note 23)                       | 1,442.47        | 1,071.95         |
|   | <b>7,921.06</b> | <b>10,920.51</b> |

### 27 Revenue from Operations

| Particulars                              | (INR in Lakhs)   |                  |
|--|------------------|------------------|
|  | FY 2022-23       | FY 2021-22       |
| <b>Sale of Goods</b>                     |                  |                  |
| Export Sale                              | 27,983.75        | 16,496.16        |
| Domestic Sale                            | 18,452.68        | 13,171.82        |
| <b>Other Operating Income</b>            |                  |                  |
| Export Incentives & Credits              | 544.32           | 328.21           |
| Foreign Currency Fluctuation Gain/(Loss) | 702.65           | 207.83           |
|  | <b>47,683.39</b> | <b>30,204.02</b> |

#### Disaggregated revenue information\*

| Particulars                                 | (INR in Lakhs)   |                  |
|---|------------------|------------------|
|   | FY 2022-23       | FY 2021-22       |
| Steel Castings                              | 46,436.43        | 29,667.98        |
| Total revenue from contracts with customers | <b>46,436.43</b> | <b>29,667.98</b> |

\* The Company deals in a single category of product i.e. steel castings.

| Particulars  | (INR in Lakhs)   |                  |
|--|------------------|------------------|
|  | FY 2022-23       | FY 2021-22       |
| Timing of revenue recognition                      |                  |                  |
| Goods transferred at a point in time               | 46,436.43        | 29,667.98        |
| Services transferred over time                     | -                | -                |
| <b>Total revenue from contracts with customers</b> | <b>46,436.43</b> | <b>29,667.98</b> |

| Contract balances    | (INR in Lakhs) |               |
|----------------------|----------------|---------------|
|                      | 31 March 2023  | 31 March 2022 |
| Trade receivables    | 7,745.20       | 7,516.10      |
| Contract liabilities | 6.88           | 37.77         |

The increase / decrease in trade receivables is on account of realisation of previous year outstanding of receivables and unrealised amount of current year outstanding of receivables against new sales.

Contract liabilities include advances received from customer for supply of goods. The increase / decrease in Contract liabilities is on account of supply of goods against previous year advances received and receipt of new advances during the year for supply of goods.

## Notes to Financial Statements for the year ended 31 March 2023

### 27 Revenue from Operations (contd.)

#### Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

| Particulars                          | (INR in Lakhs) |            |
|--------------------------------------|----------------|------------|
|                                      | FY 2022-23     | FY 2021-22 |
| Revenue as per contracted price      | 46,588.16      | 29,691.41  |
| Adjustments:                         |                |            |
| Sales return                         | 93.49          | 23.41      |
| Discounts                            | 58.25          | 0.01       |
| Revenue from contract with customers | 46,436.43      | 29,667.98  |

#### Performance obligation

Revenue from sale of goods is recognised at the point in time when control of the assets is transferred to the customer, generally on the delivery of the equipment. Some contract provides customers with a right of return and rebate which gives right to variable considerations subject to constraint.

### 28 Other Income

| Particulars   | (INR in Lakhs) |              |
|---|----------------|--------------|
|   | FY 2022-23     | FY 2021-22   |
| Dividend Income from Investments measured at FVTOCI       | 0.01           | 0.01         |
| Interest Receipts   | 28.64          | 10.46        |
| Insurance claim Receipts                                  | 0.97           | 2.52         |
| Profit on Sale of Fixed Assets (net)                      | 76.68          | 17.48        |
| Fair value gain on financial instruments at FVTPL         | 0.69           | -            |
| Sundry Balances Written Back (net)                        | 0.67           | -            |
| Reversal of provision for Impairment of Trade Receivables | 2.67           | -            |
|   | <b>110.34</b>  | <b>30.46</b> |

### 29 Cost of Materials Consumed

| Particulars                                 | (INR in Lakhs)   |                 |
|---|------------------|-----------------|
|   | FY 2022-23       | FY 2021-22      |
| <b>Raw Materials Consumed</b>               |                  |                 |
| Stock at the beginning of the year          | 637.88           | 280.45          |
| <b>Add : Purchases and Direct Expenses*</b> | 12,190.03        | 9,852.46        |
|   | 12,827.91        | 10,132.90       |
| <b>Less : Stock at the end of the year</b>  | 690.23           | 637.88          |
|   | <b>12,137.68</b> | <b>9,495.02</b> |

#### Notes:

\* The sales proceeds received from miscellaneous sales are adjusted in purchase cost of raw materials & stores & spares expenses as applicable.

### 30 Changes in Inventories of Finished Goods and Work-in-Progress

| Particulars                               | (INR in Lakhs)  |                   |
|---|-----------------|-------------------|
|   | FY 2022-23      | FY 2021-22        |
| <b>Stock at the beginning of the year</b> |                 |                   |
| Finished Goods                            | 71.83           | 94.57             |
| Work-in-Progress                          | 4,362.36        | 1,645.69          |
|   | <b>4,434.19</b> | <b>1,740.27</b>   |
| <b>Stock at the end of the year</b>       |                 |                   |
| Finished Goods                            | 196.31          | 71.83             |
| Work-in-Progress                          | 3,050.66        | 4,362.36          |
|   | <b>3,246.97</b> | <b>4,434.19</b>   |
|   | <b>1,187.22</b> | <b>(2,693.92)</b> |

## Notes to Financial Statements for the year ended 31 March 2023

### 31 Employee Benefits Expenses

| Particulars                            | (INR in Lakhs)  |                 |
|--|-----------------|-----------------|
|  | FY 2022-23      | FY 2021-22      |
| Salaries, Wages, Allowances and Bonus  | 3,335.01        | 2,513.12        |
| Contribution to Employee Benefit Funds | 166.94          | 146.17          |
| Gratuity Expenses                      | 58.02           | 48.02           |
| Staff Welfare Expenses                 | 141.61          | 129.05          |
|  | <b>3,701.58</b> | <b>2,836.36</b> |

### 32 Finance Costs

| Particulars                  | (INR in Lakhs) |               |
|------------------------------|----------------|---------------|
|                              | FY 2022-23     | FY 2021-22    |
| <b>Interest Expenses on:</b> |                |               |
| Working Capital Finance *    | 233.41         | 35.00         |
| Term Loan                    | -              | 103.64        |
| Others                       | -              | -             |
| Other Borrowing Cost         | 8.00           | 17.37         |
|                              | <b>241.41</b>  | <b>156.02</b> |

\* Net off interest income of Rs.71.31 Lakhs (PY 2021-22 Rs.140.46 Lakhs) from various loans granted.

### 33 Other Expenses

| Particulars                                   | (INR in Lakhs)   |                  |
|---|------------------|------------------|
|   | FY 2022-23       | FY 2021-22       |
| <b>Manufacturing Expenses:</b>                | <b>17,537.84</b> | <b>13,246.44</b> |
| Power, Fuel & Water Charges                   | 6,518.10         | 4,948.99         |
| Machinery Repairs and Maintenance             | 243.55           | 173.75           |
| Stores & Spares Consumption                   | 6,487.50         | 4,852.81         |
| Other Manufacturing Expenses                  | 4,288.68         | 3,270.89         |
| <b>Selling &amp; Distribution Expenses:</b>   | <b>1,022.02</b>  | <b>547.85</b>    |
| Sales Commission                              | 522.09           | 220.54           |
| Export Freight & Insurance                    | 11.34            | 10.77            |
| Sales Promotion Expenses                      | 12.54            | 11.32            |
| Export Market Development Expenses            | 32.28            | 2.32             |
| Other Selling Expenses                        | 443.77           | 302.90           |
| <b>Administrative Expenses:</b>               | <b>699.53</b>    | <b>402.16</b>    |
| Travelling Expenses                           | 59.65            | 22.27            |
| Rates & Taxes                                 | 19.80            | 15.98            |
| Insurance Premium                             | 31.93            | 27.23            |
| Building and Other Repairs                    | 76.49            | 29.33            |
| Advertisement Expenses                        | 18.38            | 5.62             |
| Directors' Setting Fees                       | 12.90            | 10.00            |
| Legal & Professional Fees                     | 144.32           | 89.98            |
| Payment to Auditors*                          | 8.82             | 10.49            |
| Bank Discount, Commission and Other Charges   | 40.20            | 21.38            |
| Donations                                     | 8.61             | -                |
| Sundry Balances Written Off                   | -                | 3.00             |
| Corporate Social Responsibility Expenses      | 53.12            | 45.23            |
| Provision for Impairment of Trade Receivables | -                | 2.69             |
| General Expenses                              | 225.31           | 118.96           |
|   | <b>19,259.39</b> | <b>14,196.45</b> |

#### \*Payment to Auditors

| Particulars  | (INR in Lakhs) |              |
|--|----------------|--------------|
|  | FY 2022-23     | FY 2021-22   |
| Audit Fees   | 5.55           | 5.16         |
| In other capacity (Including Quarterly Limited Review Fees, Tax Audit fees & various certificates) | 3.27           | 5.33         |
|  | <b>8.82</b>    | <b>10.49</b> |

# Notes to Financial Statements

for the year ended 31 March 2023

## 34 Exceptional Items

| Particulars                           | (INR in Lakhs) |            |
|---------------------------------------|----------------|------------|
|                                       | FY 2022-23     | FY 2021-22 |
| No item to report under this category | -              | -          |
|                                       | -              | -          |

## 35 Earnings Per Share (EPS)

| Particulars  | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| Face Value Per Share (INR)   | 5.00          | 5.00          |
| Weighted Average number of Equity Shares outstanding during the year | 2,02,40,000   | 2,02,40,000   |
| Profit After Tax (INR in Lakhs)                                      | 7,052.46      | 3,327.19      |
| Basic and Diluted Earnings Per Share (INR)                           | <b>34.84</b>  | <b>16.44</b>  |

## 36 Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgements, 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.

### Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

### Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

### Employee Benefit Plans

The cost of defined benefit gratuity plan and other long-term employment benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 37.

### Taxes

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Details on deferred taxes are disclosed in Note 20.

### Useful Lives of Property, Plant & Equipment

The Company reviews the useful life of property, plant & equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

### Impairment of Financial Assets

The impairment provision for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.



## Notes to Financial Statements for the year ended 31 March 2023

### 36 Significant Accounting Judgements, Estimates and Assumptions (contd.)

Estimated impairment allowance on trade receivables is based on the ageing of the receivable balances and historical experiences. Individual trade receivables are written off when management deems them not to be collectible.

#### Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are recognised 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 or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

#### 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 valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements 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.

### 37 Employee Benefit

#### Defined Benefit Plans

The Company has defined benefits gratuity plan. Every employee who has completed five years or more of service gets gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed years of service. The Company's Gratuity Fund is managed by Life Insurance Corporation of India.

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet.

| Particulars   | (INR in Lakhs) |               |
|---|----------------|---------------|
|   | FY 2022-23     | FY 2021-22    |
| <b>(a) Gratuity Cost Recognized in the Statement of Profit and Loss</b>     |                |               |
| Current Service Cost  | 47.49          | 40.01         |
| Net Interest Cost   | 6.76           | 6.40          |
| Net Gratuity Cost recognized in the Statement of Profit and Loss            | <b>54.25</b>   | <b>46.41</b>  |
| <b>(b) Gratuity Cost recognized in the Other Comprehensive Income (OCI)</b> |                |               |
| Return on plan assets, excluding Interest Income                            | 1.97           | 2.06          |
| Actuarial changes arising from experience adjustments                       | 18.60          | 53.68         |
| Actuarial changes arising from changes in financial assumptions             | (15.97)        | (51.67)       |
| Actuarial changes arising from changes in demographic assumptions           | -              | 0.01          |
| Net (income) / expense for the period recognized in OCI                     | <b>4.59</b>    | <b>4.08</b>   |
| <b>(c) Movements in the Present Value of the Defined Benefit Obligation</b> |                |               |
| Obligation at the beginning of the year                                     | 487.41         | 484.89        |
| Current Service Cost  | 47.49          | 40.01         |
| Interest Cost   | 35.82          | 33.60         |
| Benefits Paid   | (55.31)        | (73.11)       |
| Experience adjustments  | 18.60          | 53.68         |
| Actuarial changes arising from changes in financial assumptions             | (15.97)        | (51.67)       |
| Actuarial changes arising from changes in demographic assumptions           | -              | 0.01          |
| Obligation at the end of the year   | <b>518.03</b>  | <b>487.41</b> |

## Notes to Financial Statements for the year ended 31 March 2023

### 37 Employee Benefit (contd.)

| Particulars  | (INR in Lakhs) |                |
|--|----------------|----------------|
|  | FY 2022-23     | FY 2021-22     |
| <b>(d) Movements in the Fair Value of the Plan Assets:</b> |                |                |
| Plan assets at the beginning of the year, at fair value    | 395.39         | 392.47         |
| Interest Income  | 29.06          | 27.20          |
| Contributions by the Employer                              | 60.14          | 50.90          |
| Benefits Paid  | (55.31)        | (73.11)        |
| Return on plan assets, excluding interest income           | (1.97)         | (2.06)         |
| Plan assets at the end of the year, at fair value          | <b>427.32</b>  | <b>395.39</b>  |
| Actual return on Plan Assets                               | 27.09          | 25.14          |
| <b>Plan Asset/(liability)</b>                              | <b>(90.71)</b> | <b>(92.01)</b> |

The major categories of plan assets of the fair value of the total plan assets are as follows:

| Particulars    | (INR in Lakhs) |               |
|----------------|----------------|---------------|
|                | 31 March 2023  | 31 March 2022 |
|                | %              | %             |
| Insurance Fund | 100.00         | 100.00        |
|                | <b>100.00</b>  | <b>100.00</b> |

The principal assumptions used in determining Gratuity and post-employment Medical Benefit Obligations for the Company's plans are shown below:

| Particulars       | (INR in Lakhs)   |  |
|-------------------|--|--|
|                   | 31 March 2023  | 31 March 2022  |
| Discount Rate     | 7.50 %   | 7.35 %   |
| Salary Escalation | <ul style="list-style-type: none"> <li>➤ 4.25% p.a. for next 1 years</li> <li>➤ 6.50% p.a. thereafter, starting from the 2nd year"</li> </ul>  | <ul style="list-style-type: none"> <li>➤ 4.25% p.a. for next 1 years</li> <li>➤ 6.50% p.a. thereafter, starting from the 2nd year"</li> </ul>  |
| Attrition Rate    | <ul style="list-style-type: none"> <li>➤ For service 2 years and below 6.50% p.a.</li> <li>➤ For service 3 years to 4 years 2.00% p.a.</li> <li>➤ For service 5 years and above 1.00% p.a."</li> </ul> | <ul style="list-style-type: none"> <li>➤ For service 2 years and below 6.50% p.a.</li> <li>➤ For service 3 years to 4 years 2.00% p.a.</li> <li>➤ For service 5 years and above 1.00% p.a."</li> </ul> |

| Sensitivity Analysis :                                  | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| Projected Benefit Obligation on Current Assumptions     | 518.03        | 487.41        |
| Delta Effect of +1% Change in Rate of Discounting       | (42.79)       | (39.18)       |
| Delta Effect of -1% Change in Rate of Discounting       | 51.35         | 46.98         |
| Delta Effect of +1% Change in Rate of Salary Increase   | 51.44         | 47.00         |
| Delta Effect of -1% Change in Rate of Salary Increase   | (43.60)       | (39.88)       |
| Delta Effect of +1% Change in Rate of Employee Turnover | 3.23          | 2.60          |
| Delta Effect of -1% Change in Rate of Employee Turnover | (3.90)        | (3.11)        |

| Projected Benefits Payable (from fund) in Future Years From the Date of Reporting | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| 1st Following Year  | 114.47        | 122.95        |
| 2nd Following Year  | 15.61         | 15.13         |
| 3rd Following Year  | 35.58         | 17.14         |
| 4th Following Year  | 31.05         | 32.93         |
| 5th Following Year  | 30.36         | 29.28         |
| Sum of Years 6 To 10  | 165.82        | 152.70        |
| Sum of Years 11 and above   | 954.47        | 841.32        |

The average duration of the Projected Benefit Obligation at the end of the reporting period is 11 years (previous year: 11 years).

## Notes to Financial Statements for the year ended 31 March 2023

### 38 Commitments and Contingencies

#### a. Leases

##### Company as Lessee

- (i) The Company has lease contracts for various lands taken from Bhavnagar Municipal Corporation (Lessor). These lease contracts have lease terms between 25 to 99 years. Upon expiry, the Company (Lessee) also has an option to renew the said lease for another term of lease. Regarding plot no. F94, F95, F96, F97, F69AB1 & F69AB3 the term of lease is expired and the company has before expiry of lease term has applied with the lessor for the renewal of lease (carrying value Rs.11.46 Lakhs). The said renewals are under process with the lessor. The company expects it to be approved shortly during FY 2023-24.
- (ii) One plot no. 148 situated in Gujarat Industrial Development Corporation (GIDC) - Vartej was allotted to the company by the GIDC. The possession was also given to the company. However, the lease deed is pending to be executed as the allotment challenged in Hon'ble Gujarat High Court and matter is on stay since then.

| (INR in Lakhs)   |                                     |                      |   |  |                     |  |
|--|-------------------------------------|----------------------|---|--|---------------------|--|
| Relevant Line Item in the balance sheet                  | Description of the item of property | Gross Carrying Value | Title Deeds held in name of   | Whether title deed holder is a promoter, director or relative of the company | Property held since | Reason for not being executed in the name of the company   |
| Property, Plant and Equipment & Capital Work-in-Progress | Leasehold Land                      | 568.06               | Gujarat Industrial Development Corporation (GIDC). However, allotment letter and possession letters are in the name of Steelcast Limited. | No   | 31/07/2010          | Lease deed could not be executed as the allotment challenged in Hon'ble Gujarat High Court and matter is on stay since then. |

#### b. Commitments

##### Estimated amount of contracts remaining to be executed on capital account and not provided for:

The Company has entered into various contracts with suppliers and contractors for the acquisition of plant and machinery, equipment and various civil contracts of capital nature amounting to INR 108.19 Lakhs, (previous year: INR 221.61 Lakhs).

#### c. Contingent Liabilities

(to the extent not provided for)

| Particulars   | (INR in Lakhs) |               |
|---|----------------|---------------|
|   | 31 March 2023  | 31 March 2022 |
| Renewal Power Purchase Obligation (Note No. ii)             | 44.51          | 65.40         |
| In respect of other matters                                 | 1.80           | 1.80          |
| The Committee of Creditors of LB Steel (USA) (Note No. iii) | 207.38         | -             |
|   | <b>253.69</b>  | <b>67.20</b>  |

#### Note:

- (i) In the year of 2010 the company purchased a plot of land having city survey no. 302, admeasuring 22,325.59 sq. mtrs, identified in company's record as Plot no. F-26, from a private party and acquired the lease rights thereon. The relevant transfer of the property and lease rights thereon was accepted by Bhavnagar Municipal Corporation (BMC) and taken on their record. Subsequently, the Collector of Bhavnagar District intervened and passed an order holding the transfer of the property to the company to be invalid. The company then went in appeal to the High Court of Gujarat and the Honourable High Court was pleased to stay the order of the Collector. The company is confident of ultimately winning the case on merits and does not foresee any adverse consequences and or liability in this regard. The matter is still pending in High Court.

## Notes to Financial Statements for the year ended 31 March 2023

### 38 Commitments and Contingencies (contd.)

- (ii) The company uses energy generated from conventional sources and as per Electricity Act 2003 and Gujarat Electricity Regulatory Commission regulations, the company is cast upon obligation to purchase Renewal Energy Certificate(REC) for meeting renewal power purchase obligation determined in the regulations from Central Electricity Regulatory Commission. The regulations are effective since 2015-16 and matter is sub-judice and awaiting clarification from power distribution Companies for its enforcement and applicability period. The amount of Rs 44.51 Lakhs is arrived at as per rate mentioned at Indian Energy Exchange(IEX) in the month of March-2023.
- (iii) The Company had sold goods to Steelcast LLC (an erstwhile joint venture between the Company and Makary & Associates for business development for Steelcast Limited) in 2015 which in turn sold the goods to its customer i.e. LB Steel in United States of America. That ultimate customer then initiated bankruptcy proceeding in 2015 in United States Bankruptcy Court of Illinois and a Committee of Creditors was formed. The Committee of Creditors sent a notice to Steelcast Limited demanding USD 252,393 (equivalent INR 207.38 Lakhs) saying that LB Steel who bought material from Steelcast LLC has initiated bankruptcy proceeding and that LB Steel had made payments for the purchase of goods during the preference period. Hence they are seeking avoidance and recovery of the equivalent amount from Steelcast Limited. The Company refuted the charges and court proceeding initiated in United States Bankruptcy Court of Illinois. The said court decided in favour of the Committee of Creditors of LB Steel without giving due weightage to the representations made by the Company. The Company has appealed against the order there in the higher court. The matter is sub-judice as on date. The company is confident of ultimately winning the case on merits and does not foresee any adverse consequences and or liability in this regard.

### 39 Related Party Transactions

#### A. Name of Related Parties

##### Relation

##### i Key Managerial Personnel & their Relative

Shri Chetan M Tamboli -Chairman & Managing Director

Shri Rushil C Tamboli - Son of Managing Director and Non-Executive Non-Independent Director @

Mrs. Vidhi S Merchant - Daughter of Managing Director and Non-Executive Non-Independent Director

Shri Ashutosh H Shukla - Executive Director #

Shri Subhash R Sharma - Executive Director and Chief Financial Officer \$

Shri Mahesh L Purohit - Company Secretary\*

Shri Umesh V Bhatt - Company Secretary\*\*

##### ii Entities controlled by Key Managerial Personnel

Steelcast Education Trust

Shri F. P. Tamboli Charitable Trust

#### B. Transactions with Related Parties

|                                 | (INR in Lakhs) |            |
|---------------------------------|----------------|------------|
|                                 | FY 2022-23     | FY 2021-22 |
| <b>Remuneration</b>             |                |            |
| <b>Key Managerial Personnel</b> |                |            |
| Shri Chetan M Tamboli           | 38.25          | 36.45      |
| Shri Rushil C Tamboli           | -              | 18.48      |
| Shri Ashutosh H Shukla ***      | 4.46           | -          |
| Shri Subhash R Sharma           | 24.87          | 21.82      |
| Shri Mahesh Purohit             | -              | 2.52       |
| Shri Umesh V Bhatt              | 7.53           | 3.80       |
| <b>Commission</b>               |                |            |
| <b>Key Managerial Personnel</b> |                |            |
| Shri Chetan M Tamboli           | 444.94         | 187.21     |
| Shri Rushil C Tamboli           | -              | 47.43      |

## Notes to Financial Statements for the year ended 31 March 2023

### 39 Related Party Transactions (contd.)

#### B. Transactions with Related Parties

|  | (INR in Lakhs) |            |
|--|----------------|------------|
|  | FY 2022-23     | FY 2021-22 |
| <b>Sitting Fees</b>                                    |                |            |
| <b>Key Managerial Personnel</b>                        |                |            |
| Shri Rushil C Tamboli                                  | 1.40           | -          |
| Mrs. Vidhi S Merchant                                  | 0.90           | 1.50       |
| <b>Medical Exp. Reimbursement</b>                      |                |            |
| <b>Key Managerial Personnel</b>                        |                |            |
| Shri Chetan M Tamboli                                  | 2.59           | 2.73       |
| <b>C S R Contribution</b>                              |                |            |
| <b>Entities controlled by Key Managerial Personnel</b> |                |            |
| Steelcast Education Trust                              | 20.00          | 5.75       |
| Shri F. P. Tamboli Charitable Trust                    | -              | 15.00      |

@ Change in Directorship from Whole Time Director to Non-Executive Non-Independent Director w.e.f. 01 April, 2022 and again appointed as Whole Time Director w.e.f. 23 May, 2023.

# Appointed as Executive Director w.e.f 23 January 2023

\$ Appointed as Executive Director w.e.f 23 January 2023 along with existing role of Chief Financial Officer

\* Resigned from the Company w.e.f 14 November 2021

\*\* Joined the Company w.e.f. 01 September 2021

\*\*\* The transactions are disclosed w.e.f the date of his appointment as Executive Director.

| Balance payable at year end                | (INR in Lakhs) |               |
|--|----------------|---------------|
|  | 31 March 2023  | 31 March 2022 |
| <b>Remuneration and Commission payable</b> |                |               |
| <b>Key Managerial Personnel</b>            |                |               |
| Shri Chetan M Tamboli                      | 445.98         | 188.56        |
| Shri Rushil C Tamboli                      | -              | 48.66         |
| Shri Ashutosh H Shukla                     | 1.08           | -             |
| Shri Subhash R Sharma                      | 1.20           | 0.73          |
| Shri Mahesh L Purohit                      | -              | -             |
| Shri Umesh V Bhatt                         | 0.42           | 0.51          |

#### Terms and Conditions of Transactions with Related Parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

| Compensation of Key Management Personnel of the Company    | (INR in Lakhs) |               |
|--|----------------|---------------|
|  | FY 2022-23     | FY 2021-22    |
| Short-Term Employee Benefits                               | 509.23         | 305.39        |
| Post-Employment Benefits Plans (Note No. i)                | 15.72          | 16.56         |
| <b>Total Compensation paid to Key Management Personnel</b> | <b>524.94</b>  | <b>321.94</b> |

#### Note:

- (i) This does not include the provisions made for gratuity as it is determined on an actuarial basis for the Company as a whole. Similarly, provision for leave encashment are not included in the above table as the same is also determined on an actuarial basis for the Company as a whole.

## Notes to Financial Statements for the year ended 31 March 2023

### 40 Segment Information:

#### a Basis for Segmentation

The Company's senior management consisting of Chief Executive Officer, Directors, Chief Financial Officer, Company Secretary and Managers one level below the Director, examines the company's performance on the basis of single segment namely Castings Manufacturing business. Hence, the Company has only one operating segment under Ind AS 108 'Operating Segments' i.e. Castings Manufacturing business.

#### b Geographical Information

The geographical information have been identified based on revenue within India (sales to customers with in India) and revenue outside India (sales to customers located outside India). The following table presents geographical information regarding the Company's revenue:

| Particulars   | (INR in Lakhs)   |                  |
|---------------|------------------|------------------|
|               | FY 2022-23       | FY 2021-22       |
| India         | 18,452.68        | 13,171.82        |
| Outside India | 29,230.71        | 17,032.20        |
|               | <b>47,683.39</b> | <b>30,204.02</b> |

All the Non-current assets (excluding financial instruments) are located in India only.

#### c Major Customers

Following is the details of customers which individually contribute more than 10% of Company's revenue.

| Particulars | (INR in Lakhs) |            |
|-------------|----------------|------------|
|             | FY 2022-23     | FY 2021-22 |
| Customer 1  | 20,539.98      | 11,674.00  |
| Customer 2  | 15,136.44      | 11,545.00  |
| Customer 3  | 5,815.37       | 3,901.00   |

#### Note:

For the purpose of disclosure of major customers as above, a group of entities which are under common control are considered as a single customer as per the requirement of Ind AS 108.

Accordingly, Customer 1, 2 and 3 for FY 2022-23 consists of 2, 10 and 2 different legal entities respectively which are part of the same group but are operating in different geographies of the world as separate legal entities.

Customer 1, 2 and 3 for FY 2021-22 consists of 7, 2 and 2 different legal entities respectively which are part of the same group but are operating in different geographies of the world as separate legal entities.

### 41 Changes in liabilities arising from financing activities

| Particulars            | 01 April 2022   | Cash Flows        | Foreign Exchange Management | Others | (INR in Lakhs)  |
|------------------------|-----------------|-------------------|-----------------------------|--------|-----------------|
|                        |                 |                   |                             |        | 31 March 2023   |
| Current borrowings     | 6,279.86        | (3,915.00)        | -                           | -      | 2,364.86        |
| Non-current borrowings | -               | -                 | -                           | -      | -               |
| Total                  | <b>6,279.86</b> | <b>(3,915.00)</b> | -                           | -      | <b>2,364.86</b> |

| Particulars            | 01 April 2021   | Cash Flows      | Foreign Exchange Management | Others | (INR in Lakhs)  |
|------------------------|-----------------|-----------------|-----------------------------|--------|-----------------|
|                        |                 |                 |                             |        | 31 March 2022   |
| Current borrowings     | 500.08          | 5,779.78        | -                           | -      | 6,279.86        |
| Non-current borrowings | 1,811.02        | (1,811.02)      | -                           | -      | -               |
| Total                  | <b>2,311.10</b> | <b>3,968.76</b> | -                           | -      | <b>6,279.86</b> |

## Notes to Financial Statements for the year ended 31 March 2023

### 42 Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

|  | Carrying amount |               | Fair value      |               |
|--|-----------------|---------------|-----------------|---------------|
|  | 31 March 2023   | 31 March 2022 | 31 March 2023   | 31 March 2022 |
| Financial assets   |                 |               |                 |               |
| Investments at FVOCI   |                 |               |                 |               |
| - Investment in equity shares (Quoted)                       | 0.78            | 0.62          | 0.78            | 0.62          |
| - Investment in equity shares (Unquoted)                     | 44.55           | 0.08          | 44.55           | 0.08          |
| Investments at FVTPL   |                 |               |                 |               |
| - Investment in mutual fund (Quoted)                         | 500.67          | -             | 500.67          | -             |
| - Investment in compulsory convertible debentures (Unquoted) | 400.95          | -             | 400.95          | -             |
| Investments at amortised cost                                | 8.55            | 8.55          | 8.55            | 8.55          |
| Loans - Non-current  | 53.63           | -             | 53.63           | -             |
| Security Deposits - Non-current                              | 4.03            | 4.19          | 4.03            | 4.19          |
|  | <b>1,013.15</b> | <b>13.44</b>  | <b>1,013.15</b> | <b>13.44</b>  |

The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of quoted investments are based on price quotations at the reporting date
- Regarding the fair value as on 31.03.2023 of unquoted investment in equity shares and compulsory convertible debentures acquired in current year 2022-23, management upon necessary inquiries made with the investee company has evaluated the changes in fair value of these investments since the date of their acquisition and has assessed that there has been no major variation in their fair value as no major time has elapsed since the date of their acquisition and hence the fair value as on 31.03.2023 are taken at same value of valuation report obtained at the time of acquiring these investments.
- The fair values of investment at amortised cost and non-current loans have been estimated using DCF model which consider certain assumptions viz. forecast cash flows, discount rate, credit risk and volatility.
- Fair value of non-current security deposits is considered same as its carrying amount as majority of these are related to utility services and the same are repayable on demand.
- The management assessed that the carrying amounts of current financial assets and current financial liabilities such as trade receivables, cash and bank balances, loans, other financial assets, borrowings, trade payables and other financial liabilities are reasonable approximations of fair values largely due to the short-term maturities of these instruments.

## Notes to Financial Statements for the year ended 31 March 2023

### 43 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2023:

|  | Fair value measurement using |   |   |   |
|--|------------------------------|---|---|---|
|  | Total                        | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
| Assets measured at fair value:                               |                              |   |   |   |
| Investments at FVOCI (Note 5)                                |                              |   |   |   |
| - Investment in equity shares (Quoted)                       | 0.78                         | 0.78                                      | -                                       | -   |
| - Investment in equity shares (Unquoted)                     | 44.55                        | -   | 44.55                                   | -   |
| Investments at FVTPL (Note 5)                                |                              |   |   |   |
| - Investment in mutual fund (Quoted)                         | 500.67                       | 500.67                                    | -                                       | -   |
| - Investment in compulsory convertible debentures (Unquoted) | 400.95                       | -   | 400.95                                  | -   |
| Assets for which fair values are disclosed (Note 42)         |                              |   |   |   |
| Investments at amortised cost                                | 8.55                         | -   | -                                       | 8.55                                      |
| Loans - Non-current  | 53.63                        | -   | -                                       | 53.63                                     |
| Secutiry Deposits - Non-current                              | 4.03                         | -   | -                                       | 4.03                                      |
|  | <b>1,013.15</b>              | <b>501.44</b>                             | <b>445.50</b>                           | <b>66.20</b>                              |

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2023:

|  | Fair value measurement using |   |   |   |
|--|------------------------------|---|---|---|
|  | Total                        | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
| Assets measured at fair value:                               |                              |   |   |   |
| Investments at FVOCI (Note 5)                                |                              |   |   |   |
| - Investment in equity shares (Quoted)                       | 0.62                         | 0.62                                      | -                                       | -   |
| - Investment in equity shares (Unquoted)                     | 0.08                         | -   | 0.08                                    | -   |
| Investments at FVTPL (Note 5)                                |                              |   |   |   |
| - Investment in mutual fund (Quoted)                         | -                            | -   | -                                       | -   |
| - Investment in compulsory convertible debentures (Unquoted) | -                            | -   | -                                       | -   |
| Assets for which fair values are disclosed (Note 42)         |                              |   |   |   |
| Investments at amortised cost                                | 8.55                         | -   | -                                       | 8.55                                      |
| Loans - Non-current  | -                            | -   | -                                       | -   |
| Secutiry Deposits - Non-current                              | 4.19                         | -   | -                                       | 4.19                                      |
|  | <b>13.44</b>                 | <b>0.62</b>                               | <b>0.08</b>                             | <b>12.74</b>                              |



## Notes to Financial Statements for the year ended 31 March 2023

### 44 Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

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 financial risk activities are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company's financial risk management policies are set by the Board of Directors. All derivative activities for risk management purposes are carried out by teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### 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, commodity price risk and other price risk. Financial instruments affected by market risk include borrowings, payables, receivables and equity investments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2023 and 31 March 2022.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2023 and 31 March 2022.

#### Interest Rate Risk

The Company's exposure to changes in interest rates relates primarily to the Company's outstanding floating rate debt. All the borrowing of the Company are at floating rate of interest.

#### 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 variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

| Particulars                | (INR in Lakhs)                           |                                |
|----------------------------|--|--------------------------------|
|                            | Increase/<br>Decrease<br>in Basis Points | Effect on Profit<br>Before Tax |
| <b>As at 31 March 2023</b> |  |                                |
|                            | +50                                      | (11.82)                        |
|                            | -50                                      | 11.82                          |
| <b>As at 31 March 2022</b> |  |                                |
|                            | +50                                      | (31.40)                        |
|                            | -50                                      | 31.40                          |

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

#### Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). To mitigate the foreign currency risk, the Company enters into foreign exchange forward contracts. These foreign exchange forward contracts, carried at fair value, may have varying maturities varying depending upon the primary host contract requirements and risk management strategy of the Company.

The most significant foreign currencies the Company is exposed to is the USD and EURO. The following tables sets forth information relating to foreign currency forward contracts and unhedged foreign currency exposures as at 31 March 2023 and 31 March 2022.

## Notes to Financial Statements for the year ended 31 March 2023

### 44 Financial Risk Management Objectives and Policies (contd.)

#### (a) Forward Contracts Outstanding as at the Reporting Date (in respective currency)

The company did not execute any forward contracts during the FY 2022-23.(previous year: INR Nil Lakhs).

#### (b) Particulars of Unhedged Foreign Currency Exposure as at the Reporting Date

As at 31 March 2023

(INR in Lakhs)

| Particulars of Transactions | Currency | Foreign Currency | INR      |
|-----------------------------|----------|------------------|----------|
| Export Trade Receivable     | USD      | 40,56,844        | 3,333.31 |
| Export Trade Receivable     | EURO     | 8,17,480         | 729.17   |
| Import payment              | USD      | 3,21,805         | 264.41   |
| Foreign currency bororwings | EURO     | -                | -        |

As at 31 March 2022

(INR in Lakhs)

| Particulars of Transactions | Currency | Foreign Currency | INR      |
|-----------------------------|----------|------------------|----------|
| Export Trade Receivable     | USD      | 30,11,386        | 2,282.48 |
| Export Trade Receivable     | EURO     | 11,25,257        | 947.61   |
| Import payment              | USD      | -                | -        |
| Foreign currency bororwings | EURO     | -                | -        |

#### Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of unhedged foreign currency monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

| Particulars   | (INR in Lakhs)     |                             |
|---------------|--------------------|-----------------------------|
|               | Change in USD Rate | Effect on Profit Before Tax |
| 31 March 2023 | +5%                | 153.44                      |
|               | -5%                | (153.44)                    |
| 31 March 2022 | +5%                | 114.12                      |
|               | -5%                | (114.12)                    |

| Particulars   | (INR in Lakhs)      |                             |
|---------------|---------------------|-----------------------------|
|               | Change in EURO Rate | Effect on Profit Before Tax |
| 31 March 2023 | +5%                 | 36.46                       |
|               | -5%                 | (36.46)                     |
| 31 March 2022 | +5%                 | 47.38                       |
|               | -5%                 | (47.38)                     |

#### Commodity price risk

The Company is exposed to the price volatility of certain commodities. Its operating activities require the ongoing manufacture of steel castings and therefore require a continuous supply of Mild Steel, Stainless Steel and Ferro Alloys. In order to mitigate the risk of volatility in the price of these supplies, the contracts with customers contain a clause for recovery of the variation in the price of these supplies. Hence, there is no material impact of these price variations for the Company.

## Notes to Financial Statements for the year ended 31 March 2023

### 44 Financial Risk Management Objectives and Policies (contd.)

#### Other Price risk

The Company's exposure to other price risk arises from investments in equity instruments, compulsory convertible debentures and mutual fund held by the Company and classified in the balance sheet at FVTOCI and at FVTPL. To manage its price risk arising from investments, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

|   | Movement in rate | 31 March 2023               |                                      | 31 March 2022               |                                      |
|---|------------------|-----------------------------|--------------------------------------|-----------------------------|--------------------------------------|
|   |                  | Impact on Profit Before Tax | Impact on Other Comprehensive income | Impact on Profit Before Tax | Impact on Other Comprehensive income |
| Investment in equity investment                 |                  |                             |                                      |                             |                                      |
| Increase  | 2%               | -                           | 0.91                                 | -                           | 0.01                                 |
| Decrease  | -2%              | -                           | (0.91)                               | -                           | (0.01)                               |
| Investment in compulsory convertible debentures |                  |                             |                                      |                             |                                      |
| Increase  | 2%               | 8.02                        | -                                    | -                           | -                                    |
| Decrease  | -2%              | (8.02)                      | -                                    | -                           | -                                    |
| Investment in mutual fund                       |                  |                             |                                      |                             |                                      |
| Increase  | 2%               | 10.01                       | -                                    | -                           | -                                    |
| Decrease  | -2%              | (10.01)                     | -                                    | -                           | -                                    |

#### Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and foreign exchange transactions.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

#### I) Trade Receivables

Customer credit risk is managed on the basis of the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 30 days to 145 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.

For trade receivables, Expected Credit Loss (ECL) is provided as per simplified approach. The Company has applied the practical expedient as per Ind AS 109 'Financial Instruments' to measure the loss allowance at lifetime ECL. The Company determines the ECL on trade receivables by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Below table represents the reconciliation of provision made for expected credit loss for trade receivables:

|                                   | (INR in Lakhs) |               |
|-----------------------------------|----------------|---------------|
|                                   | 31 March 2023  | 31 March 2022 |
| Opening Balance                   | 2.73           | 0.04          |
| Changes in Loss Allowance:        |                |               |
| Impairment Allowance based on ECL | (2.67)         | 2.69          |
| Utilised during the year          |                |               |
| Closing Balance                   | 0.06           | 2.73          |

#### II) Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties who meets the minimum threshold requirements under the counterparty risk assessment process. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties.

## Notes to Financial Statements for the year ended 31 March 2023

### 44 Financial Risk Management Objectives and Policies (contd.)

#### Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligation on time or at a reasonable price. Processes and policies related to such risks are overseen by senior management. The Company regularly monitors the rolling forecasts and actual cashflows, to ensure it has sufficient funds to meet the operational needs.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

| Particulars                           | (INR in Lakhs)                |                        |                  |
|---------------------------------------|-------------------------------|------------------------|------------------|
|                                       | Payable within<br>0-12 months | More than<br>12 months | Total            |
| <b>As at 31 March 2023</b>            |                               |                        |                  |
| Borrowings (Note 21)                  | 2,364.86                      | -                      | 2,364.86         |
| Trade Payable (Note 22)               | 4,113.72                      | -                      | 4,113.72         |
| Other Financial Liabilities (Note 23) | 1,442.47                      | -                      | 1,442.47         |
|                                       | <b>7,921.06</b>               | <b>-</b>               | <b>7,921.06</b>  |
| <b>As at 31 March 2022</b>            |                               |                        |                  |
| Borrowings (Note 21)                  | 6,279.86                      | -                      | 6,279.86         |
| Trade Payable (Note 22)               | 3,568.70                      | -                      | 3,568.70         |
| Other Financial Liabilities (Note 23) | 1,071.95                      | -                      | 1,071.95         |
|                                       | <b>10,920.51</b>              | <b>-</b>               | <b>10,920.51</b> |

### 45 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing borrowings (including current maturities), trade payables, less cash and cash equivalents and other bank balances.

|   | (INR in Lakhs)  |                 |
|---|-----------------|-----------------|
|   | 31 March 2023   | 31 March 2022   |
| Borrowings (Note 21)                      | 2,364.86        | 6,279.86        |
| Trade Payable (Note 22)                   | 4,113.72        | 3,568.70        |
| Less: Cash and Cash Equivalents (Note 12) | (25.45)         | (11.69)         |
| Less: Other Bank Balances (Note 13)       | (319.99)        | (200.31)        |
| <b>Net Debt</b>                           | <b>6,133.15</b> | <b>9,636.56</b> |

|                             | (INR in Lakhs)   |                  |
|-----------------------------|------------------|------------------|
|                             | 31 March 2023    | 31 March 2022    |
| Equity                      | 21,520.56        | 15,655.41        |
| Total Capital               | 21,520.56        | 15,655.41        |
| <b>Capital and Net Debt</b> | <b>27,653.70</b> | <b>25,291.98</b> |
| <b>Gearing Ratio</b>        | <b>22.18%</b>    | <b>38.10%</b>    |

In order to achieve this overall objective, the Company'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 years ended 31 March 2023 and 31 March 2022.

## Notes to Financial Statements for the year ended 31 March 2023

### 46 Research & Development Expenditure

The total amount of Research & Development Expenditure charged to profit and loss during the year is INR 296.19 Lakhs (previous year: INR 291.10 Lakhs).

### 47 Details of Expenditure incurred on Corporate Social Responsibility (CSR) Activities:

Total CSR expenditure incurred during the year is INR 53.12 Lakhs (previous year: INR 45.23 Lakhs).

| Particulars   | (INR in Lakhs) |                |
|---|----------------|----------------|
|   | 31 March 2023  | 31 March 2022  |
| 1 Amount required to be spent by the company during the year          | 50.53          | 45.16          |
| 2 Amount of expenditure incurred and paid in cash on:                 |                |                |
| a. Construction/acquisition of any asset                              | 2.48           | 2.81           |
| b. On purposes other than (i) above                                   | 50.64          | 42.43          |
| c. Total Amount of expenditure incurred                               | 53.12          | 45.23          |
| 3 Shortfall at the end of the year                                    | -              | -              |
| 4 Total of previous years shortfall                                   | -              | -              |
| 5 Reason for shortfall  | Not Applicable | Not Applicable |
| 6 <b>Nature of CSR activities:</b>                                    |                |                |
| a. Skill Development  | 20.00          | 5.75           |
| b. Education  | 15.11          | 19.97          |
| c. Health care  | 11.06          | 13.01          |
| d. Women empowerment  | 4.25           | -              |
| e. Society Welfare, Ecological balance and others                     | 2.70           | 6.50           |
| 7 Details of related party transaction in relation to CSR expenditure |                |                |
| Steelcast Education Trust   | 20.00          | 5.75           |
| Shri F. P. Tamboli Charitable Trust                                   | -              | 15.00          |
| 8 Excess amount spent   |                |                |
| Opening balance   | -              | -              |
| Amount required to be spent during the year                           | 50.53          | 45.16          |
| Amount spent during the year  | 53.12          | 45.23          |
| Closing balance (Note No. 1)  | <b>2.59</b>    | -              |

#### Notes:

(i) The excess amount spent for FY 2022-23 can be carried forward and adjusted against the CSR obligation for FY 2023-24.

### 48 Ind AS updation (new/amendments)

#### Recent pronouncements

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April 2023. “

#### a. Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The amendments are not expected to have a material impact on the Company's financial statements.

#### b. Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107. The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

## Notes to Financial Statements for the year ended 31 March 2023

### 48 Ind AS updation (new/amendments) (contd.)

#### c. Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

The Company is currently assessing the impact of the amendments.

### 49 Impact of COVID-19

The Company has taken into account all the possible impacts of COVID-19 in preparation of the financial statements. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

### 50 Ratio Analysis and its elements

| Sr. No. | Ratio                           | Numerator   | Denominator   | 31 March 2023 | 31 March 2022 | % change | Reason for variance  |
|---------|---------------------------------|---|---|---------------|---------------|----------|--|
| 1       | Current ratio                   | Current Assets  | Current Liabilities   | 1.81          | 1.35          | 34.30    | Consistent focus on working capital management led to improvement of the ratio.  |
| 2       | Debt- Equity Ratio              | Total Debt  | Shareholder's Equity  | 0.11          | 0.40          | 72.61    | The company does not have any long term debt and significant reduction of short term debts and increase in Net-Worth led to improvement of the ratio |
| 3       | Debt Service Coverage ratio     | Earnings for debt service = Net profit after taxes + Interest + Non-cash operating expenses | Debt service = Interest & Lease Payments + Principal Repayments | NA            | 2.72          | NA       |  |
| 4       | Inventory Turnover ratio        | Cost of goods sold  | Average Inventory   | 6.82          | 5.91          | 15.39    |  |
| 5       | Trade Receivable Turnover Ratio | Net credit sales = Gross credit sales - sales return  | Average Trade Receivable  | 6.25          | 4.76          | 31.29    | Debtors remained almost constant compared to last year despite the turnover of the company increase substantially.                                   |
| 6       | Trade Payable Turnover Ratio    | Net credit purchases = Gross credit purchases - purchase return                             | Average Trade Payables  | 3.17          | 3.94          | 19.46    |  |
| 7       | Net Capital Turnover Ratio      | Net sales = Total sales - sales return  | Working capital = Current assets - Current liabilities          | 7.21          | 7.77          | (7.22)   |  |

## Notes to Financial Statements for the year ended 31 March 2023

### 50 Ratio Analysis and its elements (contd.)

| Sr. No. | Ratio                      | Numerator                                     | Denominator   | 31 March 2023 | 31 March 2022 | % change | Reason for variance  |
|---------|----------------------------|---|---|---------------|---------------|----------|--|
| 8       | Return on Equity ratio     | Net Profits after taxes – Preference Dividend | Average Shareholder's Equity  | 37.92%        | 23.30%        | 62.74    | Major reasons for overall improved ratios are as under:<br>(i) Increase in Revenue<br>(ii) Strengthened balance sheet in the last couple of years<br>(iii) Focus on enhancing other operational income<br>(iv) Settlement of pending customer issues<br>(v) Overall improvement in cost control and better margins |
| 9       | Net Profit ratio           | Net Profit                                    | Net sales = Total sales - sales return  | 14.78%        | 11.01%        | 34.31    |  |
| 10      | Return on Capital Employed | Earnings before interest and taxes            | Capital Employed = Tangible Net Worth + Total Long Term Debt + Deferred Tax Liability | 43.64%        | 28.35%        | 53.91    |  |
| 11      | Return on Investment       | Net Profit                                    | Net Worth   | 32.76%        | 21.24%        | 54.25    |  |

\*The reason for variance are given against the ratios which are varying by 25% or more as compared to last year.

### 51 Other Statutory Information (management to assess if the Company has entered into any of the following transactions. If yes, then necessary disclosures will have to be given).

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company does not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

## Notes to Financial Statements for the year ended 31 March 2023

**52** Previous year figures have been recast/restated wherever necessary.

As per our report on even date.

For S S M & CO  
Chartered Accountants  
FRN: 129198W

For STEELCAST LIMITED

Subhash Sharma  
Chief Financial Officer

Umesh Bhatt  
Company Secretary

CA Sarju Mehta  
Partner  
M. No. 106804  
Place: Bhavnagar  
Date: 23 May 2023

For and on Behalf of the Board of Directors

Rushil C Tamboli  
Director  
DIN: 07807971  
Place: Bhavnagar  
Date: 23 May 2023

Chetan M Tamboli  
Chairman & Managing  
Director  
DIN: 00028421





## STEELCAST LIMITED

CIN: L27310GJ1972PLC002033

Registered Office: Ruvapari Road, Bhavnagar, Gujarat 364 005

Phone 0278-2519062, Email: info@steelcast.net, Website: www.steelcast.net

Dear Member(s)

Sub: Electronic mode of service of documents.

As a part of Green initiative by the Ministry of Corporate Affairs (MCA), now members can receive various communications and correspondence including Annual Report through electronic mode i.e. e-mail. In this connection, we request the members to support the green initiative by registering their e-mail id's in the below format to receive various communications to be sent by the Company, electronically.

1. Members holding the shares in physical form may send the communication to the Registrar and Share Transfer Agents (RTA), Bigshare Services Pvt. Ltd either physically or through e-mail at: (a) [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com) (or) (b) [cs@steelcast.net](mailto:cs@steelcast.net)
2. Members holding the shares in demat form may furnish the details to the respective Depository Participants.

The E-communication registration form should be signed by the sole/first named Member as per the specimen signature recorded with the RTA. Upon a specific request, even after registering the e-communication, members are entitled to receive such communications in physical form.

Thanking You

Yours faithfully

For **STEELCAST LIMITED**

**Chetan M Tamboli**

CHAIRMAN & MANAGING DIRECTOR

## E-COMMUNICATION REGISTRATION FORM

Bigshare Services Pvt. Ltd,  
A-802 Samudra Complex,  
Off CG Road, Nr. Girish Cold Drink,  
Navrangpura,  
Ahmedabad, Gujarat – 380009

Folio No. / DP ID & Client ID:.....

Name of the sole / first named Member: .....

Name of joint holder(s): .....

Registered Address: .....

.....

E Mail ID to be registered: .....

Date: .....

Signature of the Member:.....

Note: Members holding shares in demat form are requested to address and send the E-communication registration form to their depository participant (DP). Members are requested to keep DP/RTA/Company informed as and when there is any change in the e-mail address. Unless the e-mail ID given above is changed by you by sending another communication in writing / e-mail, the Company will continue to send the documents to you on the above mentioned e-mail ID.



## STEELCAST LIMITED

Regd. Office : Ruvapari Road, Bhavnagar, Gujarat, India 364 005.

### ATTENDANCE FORM

|  |           |  |
|--|-----------|--|
| Name of Shareholder                          |           |  |
| Number of Equity Shares held                 |           |  |
| Folio Number, if shares are in physical form |           |  |
| If shares are in Demat form                  |           |  |
| Client ID                                    | DP ID     |  |
|  | Client ID |  |

I hereby record my presence at the 52nd Annual General Meeting of the Company at Efce Sarovar Portico – Sarovar Hotels, Iscon Mega City, Opp. Victoria Park, Bhavnagar, Gujarat 364002 at 1600 hours on Thursday, 3rd August, 2023.

|   |  |
|---|--|
| Signature of the Member/Proxy attending the meeting |  |
|---|--|

- Note:
1. A Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand it over at the entrance duly signed.
  2. He/She is advised to bring along a copy of the Annual Report at the meeting for reference.

## STEELCAST LIMITED

Regd. Office : Ruvapari Road, Bhavnagar, Gujarat, India 364 005.

### FORM NO. MGT-11 - PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

|   |                    |
|---|--------------------|
| Name & Address of the Shareholder: (In BLOCK Letters) |                    |
| Email ID:   | Folio No.:         |
| No. of shares held:                                   | DP ID – Client ID: |

I/We, .....being the member (s)of the above named Company, hereby appoint:

|    |            |
|----|------------|
| 1. | Name:      |
|    | Address:   |
|    | E-mail ID: |
|    | Signature: |

or failing him/her

|    |            |
|----|------------|
| 1. | Name:      |
|    | Address:   |
|    | E-mail ID: |
|    | Signature: |

or failing him/her

|    |            |
|----|------------|
| 1. | Name:      |
|    | Address:   |
|    | E-mail ID: |
|    | Signature: |

as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the 52nd Annual General Meeting of the Company, to be held on Thursday, 3rd August, 2023 at 1600 hours at Efcce Sarovar Portico – Sarovar Hotels, Iscon Mega City, Opp. Victoria Park, Bhavnagar, Gujarat 364002 and at any adjournment thereof in respect of all resolutions proposed to be passed therein as under:

| Resolution No.           | Resolution (s)  | Vote |         |
|--------------------------|---|------|---------|
|                          |   | For  | Against |
| <b>Ordinary Business</b> |   |      |         |
| 1                        | To receive, consider, approve and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2023 and the Report of the Board of Directors' and Auditors' thereon. |      |         |
| 2                        | To confirm the payment of three Interim Dividends and one Special Dividend on Equity Shares and to declare a Final Dividend on Equity Shares for the year ended March 31, 2023.                     |      |         |
| 3                        | To appoint a Director in place of Mrs. Vidhi S Merchant, having Director Identification Number 06689283, who retires by rotation and being eligible offers herself for reappointment.               |      |         |
| 4                        | To appoint a Director in place of Mr. Rushil C Tamboli, having Director Identification Number 07807971, who retires by rotation and being eligible offers himself for re-appointment.               |      |         |

| Resolution No.          | Resolution (s)  | Vote |         |
|-------------------------|---|------|---------|
|                         |   | For  | Against |
| <b>Special Business</b> |   |      |         |
| 1                       | To appoint Mr. Rushil C Tamboli (DIN: 07807971) as a Whole Time Director of the Company for the period of Five (5) years with effect from 23.05.2023. |      |         |
| 2                       | To ratify the remuneration to be paid to M/s. S K Rajani & Co., Cost Auditors (FRN.101113), for the financial year 2023-24.                           |      |         |

Signed on this day of ..... 2023

Signature of shareholder: .....

Signature of Proxy holder(s): .....



**Signature across Revenue Stamp**

- Note:
1. The Proxy must be lodged at the Regd. Office of the Company mentioned as above, not less than 48 hours before the time of the Annual General Meeting.
  2. The Proxy need not be a Member of the Company.
  3. In case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint-holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
  4. This form of proxy confers authority to demand or join in demanding a poll.
  5. The submission by a Member of this form of proxy will not preclude such Member from attending in person and voting at the Meeting.

|                        |            |                  |
|------------------------|------------|------------------|
| <b>For Office Use:</b> | Proxy No.: | Date of Receipt: |
|------------------------|------------|------------------|











**STEELCAST LIMITED**

Registered Office & Works  
Ruvapari Road, Bhavnagar,  
Gujarat - 364005, India  
Phone: (91) (278) 2519062