



# AKC STEEL INDUSTRIES LIMITED

AN ISO 9001 : 2000 ORGANISATION

Regd. Office : Lansdowne Towers, 4th Floor, 2/1A, Sarat Bose Road, Kolkata - 700 020  
Tel. : 033-40604444, Fax : 033 2283 3322, E-mail : contact@akcsteel.com, Website : www.akcsteel.com  
CIN : L27109WB1957PLC023360

Ref: AKCSIL/RKS/CSE-REG-34/2022-23

Date: 29.08.2022

To  
The Secretary  
The Calcutta Stock Exchange Ltd.  
7, Lyons Range,  
Kolkata – 700 001

Dear Sir,


**Ref: Scrip Code: - 011019**

**Sub: Compliance under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- Submission of Annual Report for the Financial Year 2021-22**

Pursuant to Regulations 34 of SEBI (LODR) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the Financial Year 2021-22 along with the Notice of 49<sup>th</sup> Annual General Meeting scheduled to be held on Friday, September 23, 2022 at 1:30 P.M.

Kindly take note the Company has completed the dispatch of Notice of Annual General Meeting along with Annual Report 2021-22 of the Company, on 29<sup>th</sup> August, 2022 for the Financial Year 2021-22, in the permitted mode through email to the shareholders whose email id's were registered with the Depository participant/Registrar and Share Transfer Agent/Company as on 19<sup>th</sup> August, 2022.

Thanking You,  
Yours faithfully,  
For AKC Steel Industries Ltd.

  
(CS Rabindra Kumar Sahoo)  
Authorised Signatory

**Encls: as above**



Works : Malkapuram Post, Visakhapatnam - 530 011, A. P., Tel. : 0891 2577481 / 82 / 83 • Fax : 0891 2577796

Workshop : Plot No. : 223, Block - D, Autonagar Yard, Visakhapatnam - 530012, A.P., Tel. : 0891 2756209/2511595 • Fax : 0891 2756209



## AKC STEEL INDUSTRIES LIMITED

(CIN: L27109WB1957PLC023360)

Registered Office: 'Lansdowne Towers', 2/1A, Sarat Bose Road, 4th Floor, Kolkata: 700 020

Tel. No.: (033) 4060 4444, Fax: (033) 2283 3322

E- mail: contact@akcsteel.com; Website: www.akcsteel.com

### NOTICE

Notice is hereby given that the **49<sup>th</sup> (Forty Ninth)** Annual General Meeting of **AKC STEEL INDUSTRIES LIMITED** will be held on Friday, **23<sup>rd</sup> day of September, 2022 at 1.30 P.M.** through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), to transact the following businesses:

#### ORDINARY BUSINESS

1. To consider and adopt the Standalone Audited Financial Statement of the Company including Balance Sheet as at 31<sup>st</sup> March, 2022, Audited Profit & Loss Account and the Cash Flow Statement for the year ended as on that date together with Report of Directors' and Auditors' thereon.
2. To appoint a director in place of Mr. Mukesh Chand Bansal (DIN: 00103098), who retires by rotation and being eligible, offers himself for re-appointment.
3. **Re-appointment of Statutory Auditors**

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

**"RESOLVED THAT** pursuant to Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the audit committee and the Board of Directors of the Company, M/s. S. Jaykishan, Chartered Accountants (Firm registration number: 309005E) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office for a second term of five consecutive years from the conclusion of this 49<sup>th</sup> Annual General Meeting till the conclusion of the 54<sup>th</sup> Annual General Meeting to be held in the year 2027, on such remuneration as may be fixed by the Board of Directors of the Company in consultation with the Statutory Auditors.

**FURTHER RESOLVED THAT** the Board of Directors be and is hereby authorized to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

By the order of the Board of Directors  
**For AKC Steel Industries Limited**

Sd/-

**Manav Bansal**

Director

DIN: 00103024

#### Registered Office:

"Lansdowne Towers"  
4th Floor, 2/1A, Sarat Bose Road  
Kolkata - 700 020  
Date: 05.08.2022

#### Notes:

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated May 5, 2020 in relation to clarification on holding of Annual General Meeting ('AGM') through video conferencing ('VC') or other audio visual means ('OAVM') read with General Circulars Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 19/2021 dated December 8, 2021 and Circular No. 2/2022 dated May 5, 2022 in relation to 'Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19' and General Circular No.02/2021 dated January 13, 2021 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to 'Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015-COVID-19 pandemic' and Circular Nos. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (collectively referred to as 'SEBI Circulars') permitted the holding of the Annual General Meeting ('AGM'/the Meeting') through VC/ OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA Circulars, the **49<sup>th</sup> AGM of the Company is being held through VC/OAVM on 23<sup>rd</sup> day of September, 2022 at 1.30 p.m. (IST)**. Hence, Members can attend and participate in the AGM through VC/OAVM only, the detailed procedure for participating in the meeting through VC/OAVM is annexed herewith (**Refer serial No.37**) and available at the Company's website (<https://www.akcsteel.com/>).

**The deemed venue for the AGM shall be the Registered Office of the Company.**

2. The helpline -number regarding any query/assistance for participation in the AGM through VC/OAVM is-1800-225-533.
3. Since, the AGM is being conducted through VC/OAVM; there is no provision for appointment of proxies. Accordingly, appointment of proxies by the members will not be available.
4. The attendance of the Shareholders attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 19<sup>th</sup> August, 2022.
6. The Shareholders can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned herein below in the Notice.

7. Members can raise questions during the meeting or in advance at [contact@akcsteel.com](mailto:contact@akcsteel.com). The members are requested to write to the Company on or before 17<sup>th</sup> September, 2022 through Email on [contact@akcsteel.com](mailto:contact@akcsteel.com). However, it is requested to raise the queries precisely and in short at the time of meeting to enable to answer the same.
8. Corporate members are requested to send at [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) before e-voting/attending annual general meeting, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting, pursuant to Sec 113 of the Companies Act, 2013.
9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. In terms of the provisions of Regulation 40 of SEBI Listing Regulations and various notifications issued in that regard, requests for effecting transfer of securities (except in case of transmission or transposition of securities) could not be processed since 1<sup>st</sup> April, 2019 unless the securities are held in the dematerialized form with the depositories. In view of the same, Shareholders are requested to take action to dematerialize the Equity Shares of the Company/ RTA, promptly.
11. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in dematerialized form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Shareholders holding shares in physical form should submit their PAN to the Company / RTA.
12. Shareholders are requested to intimate changes, if any, pertaining to their name, postal address, Email ID, telephone / mobile numbers, PAN, mandates, nominations, power of attorney, bank details (such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.), with necessary documentary evidence, to their Depository Participants in case the shares are held by them in dematerialized form and to the Company/ RTA in case the shares are held by them in physical form.
13. In terms of the provisions of Section 72 of the Act, the facility for making nomination is available for the Shareholders in respect of the shares held by them. Shareholders who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the 'Investors' zone available on the Company's website i.e. [www.akcsteel.com](http://www.akcsteel.com) and is also available on the website of the Company's Registrar and Transfer Agent (RTA) at [www.mdpl.in](http://www.mdpl.in). Members are requested to submit the said details to their Depository Participants in case the shares are held by them in the dematerialized mode and to the Company's 'RTA' in case the shares are held by them in physical form, quoting their folio number, Certificate Nos. & Distinctive Nos. etc.
14. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
15. Non-Resident Indian Members are requested to inform the Company's RTA immediately of:
  - a) Change in their residential status on return to India for permanent settlement.
16. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
17. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number ('PAN'), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,
  - a) **For shares held in electronic/demat form:** to their Depository Participant (DP) only. Changes intimated to the DP will then be automatically reflected in the Company's shareholder records and will help the Company and its RTA to provide efficient and better service to the Members.
  - b) **For shares held in physical form:** to the Company's RTA in prescribed Form ISR -1 and other forms pursuant to SEBI circular SEBI/ HO/ MIRSD/ MIRSD\_RTAMB/ P/CIR / 2021/655 dated November 3, 2021, as per instructions mentioned in the form. The said form can be downloaded from the Investors' Zone available on the Company's website and is also available on the website of the RTA at [www.mdpl.in](http://www.mdpl.in).
18. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/ MIRSD\_RTAMB/ P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the Investors' Zone available on the Company's website and is also available on the website of the RTA at [www.mdpl.in](http://www.mdpl.in). It may be noted that any service request can be processed only after the folio is KYC Compliant.
19. SEBI vide its notification dated 24.01.2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA for assistance in this connection.
20. The Ministry of Corporate Affairs ("Ministry") has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances through electronic mode and has issued Circular No. 17/2011 dated 21-04-2011 stating that service of documents by a Company to its Members can be made through electronic mode. In order to support this Green Initiative, the Members are requested to support the "Green Initiative" by registering their E-mail ID with the Company (e-mail- [contact@akcsteel.com](mailto:contact@akcsteel.com) or [rksahoo@beekaygroup.co.in](mailto:rksahoo@beekaygroup.co.in)) or with Company's Share Transfer Agent: M/s. Maheshwari Datamatics Pvt. Ltd. (E-Mail – [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)).
21. Note for Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). After receiving the login details they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on. The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

22. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. I-Phone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
23. Relevant details with respect to AGM Notice Item No. 2 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed
24. The profile of the Directors seeking appointment/re-appointment, as required in terms of applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered with the Stock Exchange is annexed hereto and forms part of this Notice.
25. In view of the outbreak of the COVID-19 pandemic, resultant difficulties involved in dispatching of physical copies of the Annual Report and in line with the said Circulars issued by the MCA and said SEBI Circular, the Annual Report including Notice of the 49<sup>th</sup> AGM of the Company inter alia indicating the process and manner of e-voting is being sent by Email whose Email IDs are registered with the Company/ Depository Participant(s) for communication purposes to the Shareholders.

Members (Physical/ Demat) who have not registered their email addresses with the company can get the same registered with the company by requesting in member updation form by sending an email to [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) and [contact@akcsteel.com](mailto:contact@akcsteel.com). Please submit duly filled and signed member updation form to the abovementioned email. Upon verification of the Form the email will be registered with the Company.

Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the said Circulars issued by MCA and said SEBI Circular, the Annual Report including Notice of the 49<sup>th</sup> AGM of the Company will be available on the website of the Company at [www.akcsteel.com](http://www.akcsteel.com). The same can also be accessed from the websites of the Stock Exchange i.e. Calcutta Stock Exchange Limited at [www.cse-india.com](http://www.cse-india.com) and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com).

26. In terms of the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 (as amended from time to time) and Regulation 44 of the SEBI Listing Regulations and the said Circulars, the Company is pleased to provide the facility of "e-voting" to its Shareholders, to enable them to cast their votes on the resolutions proposed to be passed at the AGM, by electronic means. The instructions for e-voting are given herein below. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL"), who will provide the e-voting facility of casting votes to a Shareholder using remote e-voting system (e-voting from a place other than venue of the AGM) ("remote e-voting") as well as e-voting during the proceeding of the AGM ("e-voting at the AGM").
27. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, 17<sup>th</sup> September 2022 to Friday, 23<sup>rd</sup> September, 2022 (both days inclusive)**.
28. In accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed **Friday, 16<sup>th</sup> September, 2022** as the "cut-off date" to determine the eligibility to vote by remote e-voting or e-voting at the AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. **Friday, 16<sup>th</sup> September, 2022** shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure as given below. Members whose email ids are not registered with the depositories for procuring user id and password and registration of email-ids for e-voting for the resolutions are requested to refer the instructions as provided below.
29. Investors who became members of the Company subsequent to the dispatch of the Notice through Email and holds the shares as on the cut-off date i.e. Friday, 16<sup>th</sup> September, 2022 are requested to send the duly signed written / email communication to the Company at [contact@akcsteel.com](mailto:contact@akcsteel.com) and to the RTA at [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
30. Those Shareholders, who will be present at the AGM through VC/ OAVM facility and who would not have cast their vote by remote e-voting prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the AGM.
31. The Company has appointed Mr. S. K. Tibrewalla, Membership No. F-3811 & Certificate of Practice No. 3982, Company Secretaries in practice, as the Scrutinizer to scrutinize the remote e-voting and the e-voting at the AGM in a fair and transparent manner.
32. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [santibrewalla@gmail.com](mailto:santibrewalla@gmail.com) with a copy mark to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before **Thursday, 22<sup>nd</sup> September, 2022 upto 5.00 P.M.** without which the vote shall not be treated as valid.
33. Shareholders holding shares in identical order of names in more than one folio are requested to write to the Company or to the office of the Registrar & share Transfer Agent, M/s Maheshwari Datamatics Private Limited, 23, R.N. Mukherjee Road, 5<sup>th</sup> Floor, Kolkata-700001, enclosing their share certificate to enable the Company to consolidate their holdings in one single folio.
34. Members holding shares in physical form are requested to notify immediately any change in their address/mandate/bank details to the Company or to the office of the Registrar & Share Transfer Agent, M/s Maheshwari Datamatics Private Limited, quoting their folio number. The Members updation form is available on the website of the Company.
35. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to [contact@akcsteel.com](mailto:contact@akcsteel.com).
36. Members, who are present in meeting through video conferencing facility and have not casted their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the meeting.

**37. THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

- i. The e-voting period begins on **Tuesday, 20<sup>th</sup> September, 2022 at 10:00 A.M.** and ends on Thursday, **22<sup>nd</sup> September, 2022 at 5:00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, 16<sup>th</sup> September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting 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.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<p>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.</p> <p>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>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></p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	<p>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 and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>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></p> <p>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</p>

Type of shareholders	Login Method
	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 or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository	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 or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

- v. Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.
  1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  2. Click on "Shareholders" module.
  3. Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  4. Next enter the Image Verification as displayed and Click on Login.
  5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  6. If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the **EVSN** for the relevant “**AKC Steel Industries Limited**” on which you choose to vote.
- x. On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “**YES/NO**” for voting. Select the option **YES** or **NO** as desired. The option **YES** implies that you assent to the Resolution and option **NO** implies that you dissent to the Resolution.
- xi. Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- xii. After selecting the resolution, you have decided to vote on, click on “**SUBMIT**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “**OK**”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote.
- xiii. Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote to the Scrutinizer i.e [santibrewalla@gmail.com](mailto:santibrewalla@gmail.com) and to the Company at the email address viz; [contact@akcsteel.com](mailto:contact@akcsteel.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

### **38. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

The procedure for attending meeting & e-Voting on the day of the EGM is same as the instructions mentioned above for Remote e-voting.

- The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the EGM.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 3 (three) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the EGM but have queries may send their queries in advance 3 (three) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- Only those shareholders, who are present in the EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM.
- If any Votes are cast by the shareholders through the e-voting available during the EGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**39. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.**

- For Physical shareholders** – please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- For Demat shareholders** – please update your email id & mobile no. with your respective Depository Participant (DP).
- For Individual Demat shareholders** – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending EGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

**Other Information:**

- Those persons, who have acquired shares and have become members of the Company after the dispatch of Notice of the AGM by the Company and whose names appear in the Register of Members or Register of beneficial holders as on the cut-off date i.e. **Friday, 16th September, 2022** shall view the Notice of the 49th AGM on the Company's website or on the website of CDSL. Such persons may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if he/she is already registered with CDSL for remote e-voting then he/she can cast his/her vote by using existing User ID and password and by following the procedure as mentioned above or by voting at the AGM.
- Voting rights of the Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the **cut-off date i.e. Friday, 16th September, 2022**. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- Every Client ID No. / Folio No. will have one vote, irrespective of number of joint holders.

**Scrutinizer's Report and Declaration of results**

- The Scrutinizer shall, after the conclusion of e-voting at the AGM, first count the votes cast vide e-voting at the AGM and thereafter shall, unblock the votes cast through remote e-voting, in the presence of at least two witnesses not in the employment of the Company. He shall submit a Consolidated Scrutinizer's Report of the total votes cast in favour or against, not later than 48 (forty eight) hours of the conclusion of the AGM, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.akcsteel.com and on the website of CDSL i.e. www.evotingindia.com. The Company shall simultaneously forward the results to National Stock Exchange of India Limited, where the shares of the Company are listed.

**Register of Members and Share Transfer Books**

- The Register of Members and Share Transfer books of the Company will remain closed from **Saturday, 17th September, 2022 to Friday, 23rd September, 2022 (both days inclusive)**.

**ANNEXURE TO NOTICE OF AGM**

**A. Details of the Director seeking appointment/ re-appointment in forthcoming Annual General Meeting**

[In pursuance to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India ]

Sl. No.	Name of the Director	Mr. Mukesh Chand Bansal
1.	DIN	00103098
2.	Date of Birth and age	27/6/1956 & 66 years
3.	Nationality	Indian
4.	Date of appointment on Board	08/05/1999
5.	Terms & Condition of appointment/ re-appointment	Re-appointed under retire by rotation
6.	Remuneration proposed	N.A.
7.	Remuneration last drawn (Rs. In Lakhs)	N.A.
8.	No. of shares held in the Company	171,080



9.	Qualification & Expertise in specific functional area	Commerce Graduate from University of Calcutta. 40 years rich experience in the field of production and marketing. Besides he takes active participation in deciding various business plans of the group.
10.	No. of Board Meetings Attended during the F. Y. 2021-22	Refer Corporate Governance Report
11.	List of other listed Companies in which Directorships held as on 31 <sup>st</sup> March, 2022	Refer Corporate Governance Report
12.	List of other Companies in which Directorships held as on 31 <sup>st</sup> March, 2022	Refer Corporate Governance Report
13.	Chairman/ Member of the Committee of the Board of other Companies in which he/she is a Director as on 31 <sup>st</sup> March, 2022	Refer Corporate Governance Report

**B. Statement as per Schedule V (third proviso of Section II of Part II) of the Companies Act, 2013 in respect of remuneration payable by the Company having no profits or inadequate profits**

**I. General Information:**

- 1) Nature of industry: Manufacturing of Steel.
- 2) Date or expected date of commencement of commercial production: Not Applicable as it is an existing Company since 1957.
- 3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
- 4) Financial performance based on given indicators: (Rs in Lakhs)

	<u>31.03.2022</u>	<u>31.3.2021</u>	<u>31.3.2020</u>
Turnover (Gross):	796.66	681.04	431.60
Net Profit/ (Loss):	361.94	304.02	135.90
- 5) Foreign investments or collaborations, if any: No investment is made by the Company during F.Y. 2021-22.

**II. Information about the appointee:**

<b>Name of the appointee</b>	<b>Mr. Mukesh Chand Bansal, Non-Executive Director (Promoter)</b>
<b>Background details</b>	Refer Corporate Governance Report
<b>Past remuneration (Rs. In Lakhs)</b>	No
<b>Remuneration proposed</b>	No
<b>Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person</b>	N.A.
<b>Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any.</b>	No pecuniary relationship with the Company.

The disclosure of relationships between Directors inter se as required as per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India are as follows :

**Relationship between the Directors inter se:**

Name of Directors	Name of Relationship
Mr. Mukesh Chand Bansal	Uncle of Mr. Manav Bansal, Non-Executive Director (Promoter)

**I. Other information:**

- i) Steps taken or proposed to be taken for improvement: Despite continuing of CoVID-19 pandemic and its impact on the business of the Company as well as severe impact on the world at a large, various measures and suitable steps have been taken to cope with the increased cost of productions for increasing efficiency/ productivity/ quality in the coming years.
- ii) Expected increase in productivity and profitability in measurable terms: Due to CoVID-19 pandemic, at present the Company could not expect substantial increase in production and profitability.



**AKC STEEL INDUSTRIES LIMITED**



**Annual Report  
2021 - 2022**

**CORPORATE INFORMATION**

BOARD OF DIRECTORS	:	Mr. Mukesh Chand Bansal, Non-executive Director Mr. Ashok Kumar Bansal, Wholetime Director Mr. Manav Bansal, Non-executive Director Mr. Bhal Chandra Khaitan, Independent Director Ms. Shyanthi Dasgupta, Independent Woman Director Mr. Bharat Kumar Nadhani, Independent Director
BANKERS	:	Yes Bank Ltd.
STATUTORY AUDITORS	:	M/s. S. Jaykishan & Co. Chartered Accountants
SECRETARIAL AUDITORS	:	Mr. Santosh Kumar Tibrewalla Practising Company Secretary (Peer Reviewed)
REGISTERED OFFICE	:	'Lansdowne Towers' 2/1A, Sarat Bose Road, 4 <sup>th</sup> Floor, Kolkata: 700 020 Tel : (033) 4060 4444 Fax : (033) 2283 3322 Email : contact@akcsteel.com Web : www.akcsteel.com
REGISTRAR & SHARE TRANSFER AGENT	:	M/s. Maheshwari Datamatics Pvt. Ltd. 23 R.N. Mukherjee, 5 <sup>th</sup> Floor, Kolkata - 700 001 Phone: (033) 2243-5029/5809, 2248 2248 Fax : (033) 22484787 Email : mdpldc@yahoo.com
MACHINE SHOP/STOCKYARD	:	Plot No. 42, 43A, Block-D, Autonagar Yard, Visakhapatnam - 530 012 Andhra Pradesh Tel : (0891) 2511 595

## DIRECTORS' REPORT TO THE MEMBERS

Dear Members,

Your Directors hereby presents you the 49<sup>th</sup> (Forty Ninth) Annual Report on the business and operations of your Company along with the audited accounts of the Company for the year ended 31<sup>st</sup> March, 2022:

### FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	Financial Year 2021-22	Financial Year 2020-21
Revenue from Operations	663.05	576.88
Other Income	133.61	104.16
Profit for the Year before Interest, Depreciation & Tax	558.01	497.48
Interest	5.71	15.61
Depreciation	53.93	63.06
<b>Profit / (Loss) Before Taxation</b>	<b>498.37</b>	<b>418.81</b>
Provision for Tax	135.98	117.96
Income Tax adjustments	33.11	(1.56)
Gratuity /Leave Provisions	—	—
Provision for Tax-Deferred Tax	0.70	(1.61)
<b>Net Profit / (Loss) for the Year</b>	<b>361.94</b>	<b>304.02</b>
Balance of Profit for the Previous Year	769.36	465.34
Balance available for appropriation	1131.30	769.36
Additional Depreciation	-	-
<b>Balance carried forward to next year</b>	<b>1131.30</b>	<b>769.36</b>

### RESULTS OF OPERATIONS

Revenue from operations of the Company for FY 2021-22 stood at Rs. 796.66 Lakhs against revenue of Rs. 681.04 Lakhs as reported during the previous year which is 16.98 % increase in the revenue comparing with the previous year. The EBIDTA has been increased to Rs.558.01 Lakhs against an EBIDTA of Rs. 497.48 Lakhs an increase of 12.17 % comparing with the previous year. The net profit after tax during the year was Rs.361.94 Lakhs as against a net profit of Rs. 304.02 Lakhs which is an increase in 18.89% comparing with the previous Year. In the current year under review the turnover of your Company has increased due to increase in machining work on various jobs.

Your Company is focusing mainly on various machining jobs, i.e. Milling, Turning, Sawing of various products for the Engineering industries. The Company is in the process to add further equipments to match the growing demand of its services in the future which will boost its topline in the coming years.

### DIVIDEND

Your Directors do not recommend any dividend for the financial year 2021-22 and kept the retained earnings for the benefit of the Company and enhance the value of the shares of the Company.

Your Company has already transferred equity shares to Investor Education Protection Fund (IEPF) of those shareholders, who had not claimed dividend for a period of 7 years with effect from the F.Y. 2009-10, as per the IEPF Rules notified by the Central Govt. from time to time.

The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, 17<sup>th</sup> September, 2022 to Friday, 23<sup>rd</sup> September, 2022 (both days inclusive)** for the purpose of the Annual General Meeting.

### SHARE CAPITAL

The paid up equity capital as on March 31, 2022 was Rs. 415.00 Lakhs comprising of 41,50,000 equity shares of Rs.10/- each. Your Company has not issued any equity shares, equity shares with differential rights, Sweat equity shares, Employees' Stock Options and did not purchase its own shares. Hence there is no information to be provided as required under Rule 4(4), Rule 8(13), Rule 12(9) and Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 and Section 62 of the Companies Act 2013, respectively.

### BUYBACK OF EQUITY SHARES

The Board of Directors approved the proposal for Buyback of 9,83,000 (Nine Lakhs Eighty Three Thousand Only) fully paid-up equity shares of Rs. 10/- each (Rupees Ten only) (representing 23.69% of the total number of equity shares in the paid-up equity share capital of the Company as on 31st March 2021) at a buyback price of Rs. 30/- (Thirty only) aggregating to Rs. 2,94,90,000/- (Rupees Two Crores Ninety Four Lakhs Ninety Thousand Only) which represents 24.98% of the aggregate of the Company's fully paid-up equity share capital and free reserves as per the latest Audited Financial Statement of the Company for the financial year ended March 31, 2021 (which is within the limit of 25% of the aggregate of the fully paid-up equity share capital and free reserves of the Company) on a proportionate basis, through the Tender Offer route, vide their meeting on February 10, 2022. The shareholders approved the said buyback through a special resolution passed in an Extra Ordinary General Meeting of the Company held on April 7, 2022.

The said buyback of equity shares has been completed by the Company as on 30<sup>th</sup> June 2022.



## FINANCE

The Company continues to focus on judicious management of its Working Capital, Receivables, Inventories and other working capital parameters were kept under strict check through continuous monitoring.

## DEPOSITS

Your Company has not accepted any deposits during the year, no deposits remained unpaid or unclaimed as at the end of the year 31<sup>st</sup> March, 2022 and there was no default in repayment of deposits or payment of interest thereon during the year within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

## TRANSFER TO RESERVE

The Company has not transferred any amount to the General Reserves for the financial year ended 31<sup>st</sup> March, 2022.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the period under review, the Company has not given any loans/ guarantees/ made investment. Investments, if any, are made under normal course of the business of the Company.

## INTERNAL FINANCIAL CONTROLS

The Company has implemented and evaluated the Internal Financial Controls which provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes and policies, safeguarding of assets, prevention and detection of frauds, accuracy and completeness of accounting records.

The Company has in place an adequate and robust system for internal financial controls commensurate with the size and nature of its business. Internal control systems are integral to the Company's corporate governance policy and no reportable material weaknesses were observed in operations.

The Audit Committee of the Company evaluated the adequacy of internal financial control. During the year such controls were tested with reference to financial statements and no reportable material weakness in the formulation or operations were observed. The Statutory Auditors of the Company conducted audit on the Company's internal financial control over financial reporting and the report of the same is annexed with Auditor's Report.

## CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Company has generally taken Corporate Social Responsibility (CSR) initiatives under one of its Group Company. However, the present financial position of the Company does not mandate the implementation of CSR activities pursuant to the provisions of Section 135 and Schedule VII of the Companies Act, 2013.

## NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met 4 (Four) times during the year and the maximum interval between two meetings did not exceed 120 days. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the SEBI LODR. The details of the number of meetings of the Board held during the financial year 2021-22 are detailed in the Corporate Governance report.

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

Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013, read with rule 8(3) of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption are not required to be given as the operation of unit has been closed since the year 2012. There is no foreign exchange earnings and outgo during the year under review. The Company has not undertaken any Research & Development activities during the year under review.

## DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 134(3) (c) & 134 (5) of the Companies Act, 2013 your Directors state that:

- (a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2022, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- (b) the accounting policies adopted in the preparation of the annual accounts have been selected and applied consistently except as otherwise stated in the Notes to Financial Statements and reasonable and prudent judgments and estimates 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 2021-22 and of the profit for the year ended 31<sup>st</sup> March, 2022;
- (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 accounts for the year ended 31<sup>st</sup> March, 2022, have been prepared on a going concern basis.
- (e) proper internal financial controls were in place and that the internal financial controls were adequate and were operating effectively.
- (f) proper systems to ensure compliance with the provisions of all applicable laws were in Place and were adequate and operating effectively.

## DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director of the Company under Section 149 (7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149 (6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI Listing Regulation.

## COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Pursuant to provisions of Section 178 of the Companies Act, 2013 and the SEBI (LODR), Regulations, 2015, the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, has formulated a Remuneration Policy.

The remuneration policy of the Company, inter alia, includes the aims and objectives, principles of remuneration, guidelines for remuneration/sitting fees to Executive Directors and Non-Executive Directors, fixed and variable components in the remuneration package, criteria for identification of the Board Members and appointment of senior management.

## RELATED PARTY TRANSACTIONS

All transactions entered with related parties during the financial year 2021-22 are on arm's length basis and were in the ordinary course of business and hence not falling under the provisions of Section 188 of the Companies Act, 2013 except for lease of property which is not in ordinary course of business for which necessary approvals from the Members had been taken earlier. There have been no other materially significant related party transactions with the Company's Promoters, Directors and others as defined in Section 2(76) of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which may have potential conflict with the interest of the Company at large.

The necessary disclosures regarding the transactions as required in Form AOC 2 are given in the notes to accounts. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the Audit Committee and Board of Directors were taken wherever required in accordance with the Policy. The Company has not entered into any specific contract with related parties.

## RISK MANAGEMENT

Your Company has built a robust risk management framework over the years to identify, evaluate business risks, and opportunities. This framework seeks to minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The framework also defines the risk management approach across the enterprise at various levels. Risk Management forms an integral part of the Company's planning process.

## BOARD EVALUATION & CRITERIA FOR EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the Board carried out an annual performance evaluation of its own performance, the individual Directors as well as the working of the Committees of the Board. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non- Independent Directors was carried out by Independent Directors. Details of the same are given in the Report on Corporate Governance annexed hereto.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### I) Directors-Retirement by Rotation

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Mukesh Chand Bansal (DIN: 00103098), retires by rotation from the Board at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

### II) Appointment/ Re-appointment of Directors/ Executive Director

The profile and particulars of experience, attributes and skills of the appointed/re-appointed / rotational Directors are disclosed in the Notice convening the ensuing AGM. In view of the provisions of Section 203 of the Companies Act, 2013, Mr. Ashok Kumar Bansal, Wholetime Director and Mr. R. Jagadeeswara Rao, Chief Financial Officer (CFO) were identified and designated as Wholetime Key Managerial Personnel.

During the year under review, there was no change in the composition of the Board of Directors. None of the Directors of the Company are disqualified as per section 164(2) of the Companies Act, 2013 and rules made thereunder. The Directors have also made necessary disclosures to the extent as required under provisions of section 184(1) as applicable.

During the year under review, Ms. Debolina Karmakar has resigned from the post of Company Secretary & Compliance Officer w.e.f. 29.10.2021 and Mrs. Sangita Roy has been appointed as a Company Secretary & Compliance Officer w.e.f. 03.01.2022. However, Mrs. Roy had also resigned and released w.e.f. 01.05.2022 due to her personal problems and reasons.

## DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and company's operations in future.

## MATERIAL CHANGES THAT MAY AFFECT THE FINANCIALS OF THE COMPANY

There is no material changes made during the year that will affect the financial position of the Company except the matter of non-renewal of Lease with Visakhapatnam Post Trust (VPT) which was duly mentioned in earlier Annual Reports (2018-19 to 2020-21) as VPT has forcibly taken over and locked the Factory including the plant, machinery and other moveable assets and inventories on 13<sup>th</sup> March, 2019. The said matter has been sub-judice with the High Court at Amaravati, Andhra Pradesh. The Company has already filed two nos. of Writ Petitions one is to maintain status quo and another to prohibit the VPT to auction the plant & machinery of the Company lying in the factory. The Company has recently filed interlocutory application with the Hon'ble High Court to restrain VPT to move the materials lying inside the locked factory.



## VIGIL MECHANISM/WHISTLE BLOWER POLICY

In compliance with provisions of Section 177(9) of the Companies Act, 2013 and SEBI Listing Regulation, 2015, the Company has framed a Vigil Mechanism/Whistle Blower Policy to deal with unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy, if any. The Vigil Mechanism/Whistle Blower Policy has also been uploaded on the website of the Company and is available at <https://www.akcsteel.com/whistle-blower-policy.pdf>.

The Audit committee oversees the vigil mechanism and the persons who avail the mechanism are encouraged to escalate to the level of the Audit Committee for any issue of concerns impacting and compromising with the interest of the Company and its stakeholders in any way. This policy also allows the direct access to the Chairperson of the Audit Committee.

## DETAILS RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is marked as 'Annexure – A' which is annexed hereto and forms part of the Directors' Report.

## PARTICULARS OF EMPLOYEES

There is no such employee in the Company, the information of which is required to be furnished under provisions of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Having regard to the provisions of Section 136 of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company.

## COMPANY'S WEBSITE

The website of your Company, [www.akcsteel.com](http://www.akcsteel.com), has been designed to present the Company's businesses up-front on the home page. All the mandatory information and disclosures as per the requirements of the Companies Act, 2013 and Companies Rules 2014 and as per the Listing agreement has been uploaded. The site carries a comprehensive database of information including the Financial Results of your Company, Shareholding pattern, Director's & corporate profile, details of Board Committees, Corporate Policies and business activities of your Company.

## AUDITORS & AUDITORS' REPORT

### Statutory Auditors:

The terms of office of present Statutory Auditors, M/s. S. Jaykishan & Co., Chartered Accountants (Registration No. 309005E) would expire from the conclusion of the ensuing Annual General Meeting. The Board on recommendation of Audit Committee has proposed to re-appoint M/s. S. Jaykishan & Co., Chartered Accountants (Registration No. 309005E) for second term of 5 (five) years from conclusion of Forty Ninth Annual General Meeting of the Company to be held in the year 2022 upto conclusion of 54<sup>th</sup> Annual General Meeting to be held in the year 2027.

The notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments/explanation. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review. **The Auditors' Report does not contain any qualification reservation, adverse remark or disclaimer.**

### Secretarial Auditors

In terms of Section 204 of the Companies Act, 2013 and the rules there under, the Board had appointed Mr. Santosh Kumar Tibrewalla, Practising Company Secretary – Peer Reviewed (FCS 3811) to conduct Secretarial Audit of the Company for the Financial Year 2022-23. The Secretarial Audit Report for the Financial Year 2021-22 as provided by them is annexed to this Report, vide "**Annexure B**". The Report is self-explanatory and do not call for any further comments. **The Secretarial Audit Report does not contain any qualification reservation, adverse remark or disclaimer.**

### Secretarial Compliance Report

Pursuant to Regulation 24A of the SEBI Listing Regulation and recent amendment on the same thereto, Every Listed entity and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex a Secretarial Compliance Report given by a company secretary in practice, in such form as specified, with the annual report of the listed entity.

The Company during the year under review does not have any material unlisted subsidiary and herewith attached as "**Annexure-C**". The Secretarial Compliance Report issued by Mr. Santosh Kumar Tibrewalla, Practising Company Secretary – Peer Reviewed (FCS 3811) for the year ended on 31st March, 2022.

## CORPORATE GOVERNANCE

Your Company has initiated, by providing the shareholders, to avail the option of receiving online the requisite documents i.e. notices, annual reports, disclosures and all other communications, by registering their e-mail Ids. For the success of 'Green Initiative' as per MCA circular no. 17/2011 & No. 18/2011.

The Company continues to comply with the requirements of SEBI Listing Regulations, 2015 regarding Corporate Governance. The Report on Corporate Governance together with a certificate from Mr. S. K. Tibrewalla, Practising Company Secretary (FCS 3811) regarding Compliance of Conditions of Corporate Governance, certification by M.D/CEO and CFO and the Management Discussion & Analysis Report are attached herewith which form part of this Annual Report.

## STOCK EXCHANGE LISTING

The Equity Shares of your Company are only listed on the Calcutta Stock Exchange Ltd. and the applicable annual listing fees have been paid to the Stock Exchange till financial year 2022-23.

## CODE OF CONDUCT

The Code of Conduct for Directors, KMPs and Senior Executive of the Company is already in force and the same has been placed on the Company's website: [www.akcsteel.com](http://www.akcsteel.com).

## CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In terms of the Regulation 8 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 your Company has adopted Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the same is also placed on the Company's website: [www.akcsteel.com](http://www.akcsteel.com).

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Indian economy has fully recovered to the pre-pandemic real GDP level of 2019-20, according to the provisional estimates of GDP released on May 31, 2022. Real GDP growth in FY 2021-22 stands at 8.7%, which is 1.5% higher than the real GDP in FY 2019-20. These figures are associated with stronger growth momentum, indicating increased economic demand. The investment rate in the fourth quarter increased to its highest level in the previous nine quarters. Moreover, capacity utilisation in the manufacturing sector rose in the fourth quarter, as against the third quarter, implying a build-up in demand, which is consistent with the growth objectives of the Indian economy.

India has emerged as the fastest-growing major economy in the world, and is expected to be one of the top three economic powers globally over the next 10-15 years, backed by its robust democracy and strong partnerships.

The Indian steel industry is modern, with state-of-the-art steel mills. It has always strived for continuous modernisation of older plants and up-gradation to higher energy efficiency levels.

As of October 2021, India was the world's second-largest producer of crude steel, with an output of 9.8 MT. In FY22 (till January), the production of crude steel and finished steel stood at 98.39 MT and 92.82 MT, respectively. In FY22, crude steel production in India is estimated to increase by 18%, to reach 120 million tonnes, driven by rising demand from customers. The growth in the Indian steel sector has been driven by the domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

The Company has exposure to variety of financial risks, i.e. credit risk, liquidity risk and market risk. The Company process and tracks and evaluates the levels of risk. As well as monitoring the risk itself, the discipline and tracks and evaluates the effectiveness of risk management strategies. The Company also strives for risk mitigation strategy and prepare for and lessen the effects of threats faced by a business. Comparable to risk reduction, risk mitigation takes steps to reduce the negative effects of threats and disasters on business continuity.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has put in place a proper and adequate system of internal controls, to ensure the safeguarding of assets and their usage, maintenance of proper records, adequacy and reliability of operational information is commensurate with the size, scale and complexity of its operations. The internal control is supplemented by an extensive audit by internal and external audit teams and periodic review by the top management, Audit Committee and Board of Directors. Internal audit department evaluates legal and compliance issues and supports in assessment of Internal Control Systems and identification of other important issues as a powerful tool for risk control and governance.

## HUMAN RESOURCES MANAGEMENT AND INDUSTRIAL RELATIONS

Encouraging cordial working relation and maintaining good industrial relations have been the philosophy and endeavour of the HR Department. On the whole, industrial relation scenario has been good. Statutory compliances related to labour laws have been followed with due emphasis. There is a continuous effort for better Human Resource (HR) service delivery in order to better serve the customers with simpler well executed processes with proper use of technology. The organization has a mechanism to provide employees with feedback on a continuous basis. Based on the organization's strategic plan, HR planning processes map the capacity of the organization. The knowledge, skills and abilities of the employees are identified.

## DISCLOSURES AS PER APPLICABLE ACT, LISTING AGREEMENT AND SEBI LODR REGULATIONS, 2015

### i) Composition of Audit Committee:

The Board has constituted the Audit Committee under the Chairmanship of Mr. Bhal Chandra Khaitan. Complete details of the Committee are given in the Corporate Governance Report, attached as Annexure to this Board's Report.

### ii) Recommendation by Audit Committee:

There were no such instances where the recommendation of Audit Committee has not been accepted by the Board during the financial year under review

### iii) Nomination & Remuneration Committee:

The Board had constituted the Nomination & Remuneration Committee under the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The composition of the Committee and other details of the Committee are given in the Corporate Governance Report, attached as Annexure to this Board's Report.

### iv) Stakeholder Grievance Committee:

The Board had constituted the Stakeholder Grievance Committee under the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The composition of the Committee and other details of the Committee are given in the Corporate Governance Report, attached as Annexure to this Board's Report.





**v) Share Transfer Committee:**

The Board had constituted the Share Transfer Committee, the composition of the Committee and other details of the Committee are given in the Corporate Governance Report, attached as Annexure to this Board's Report.

**vi) Risk Analysis:**

The Company has well defined risk management framework in place comprising of regular audits and checks for identifying, assessing, mitigating, monitoring and reporting of risks associated with the businesses of the Company. Major risks as identified are systematically addressed by the concerned process owners through risk mitigation actions on a continuing basis.

**vii) Post Balance Sheet events:**

The Company has completed buyback of 9,83,000 (Nine Lakhs Eighty Three Thousand Only) fully paid-up equity shares of Rs. 10/- each (Rupees Ten only) as on 30<sup>th</sup> June 2022, consequently the paid up equity shares in the share capital of the Company after said Buyback has been reduced from 41,50,000 equity shares of Rs.10/- each to 31,67,000 equity shares of Rs.10/- each.

**viii) Pursuant to Section 134(3)(a) of the Companies Act, 2013 and amendments thereof and in compliance of the Companies (Amendment) Act, 2017, effective August 28, 2020, the draft Annual Return for the financial year 2021-22 is placed on the website of the Company at the [www.akcsteel.com](http://www.akcsteel.com).**

This Annual Return is subject to such changes / alterations / modifications as may be required to carry out subsequent to the adoption of the Directors' Report by the Shareholders at the 49<sup>th</sup> Annual General Meeting and receipt of Certificate from Practising Company Secretary (PCS) which the Shareholders agree and empower the Board / Company and the copy of the final Annual Return as may be filed with the Ministry of Corporate Affairs would be furnished on the website of the Company

**ix) Disclosure Relating To Material Deviations/ Variations:**

As per Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, there are no significant material deviations/variances noted in the Company. Further the Company has not made any Public Issue, Right Issue and Preferential Issue during the year under review.

**x) Subsidiaries, Associates or Joint Ventures:**

Your Company does not have any subsidiaries, associates or joint ventures, during the year under review.

**xi) Board Evaluation & Criteria For Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the Board carried out an annual performance evaluation of its own performance, the individual Directors as well as the working of the Committees of the Board. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non- Independent Directors was carried out by Independent Directors. Details of the same are given in the Report on Corporate Governance annexed hereto

**xii) Evaluation of the Board's Performance:**

The Nomination and Remuneration Committee of the Board of Directors had laid down the criteria for evaluation of its own performance, the Directors individually as well as the evaluation of working of its various Committee(s).

**Evaluation Criteria:**

AUTHORITY FOR EVALUATION	TARGET PERSON FOR EVALUATION
Nomination and Remuneration Committee (NRC)	All Directors (Individually), Board and Committees
Independent Directors' Meeting (IDs)	a. Non – Independent Directors ( Non- IDs); b. Chairperson ( taking into account the views of executive & Non-executive Directors); c. Board as a Whole; and d. Committees of Board.
Board of Directors ( BOD)	Independent Directors (excluding participation of the ID being evaluated)

During the year under review, the Board, in compliance with the Companies Act, 2013 and applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, has continued to adopt formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. A Separate exercise was carried out to evaluate the performance of individual Directors including the Board, as a whole and the Chairman, who were evaluated on parameters such as their participation, contribution at the meetings and otherwise, independent judgements, safeguarding of minority shareholders interest, etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors in their separate meeting held on 28<sup>th</sup> August, 2020.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

**i) Nomination, Remuneration and Evaluation Policy:**

The Company on recommendation of its Nomination & Remuneration Committee has laid down a Nomination, Remuneration and Evaluation Policy, in compliance with the provisions of the Companies Act, 2013 read with the Rules made therein and the SEBI (LODR) Regulations, 2015. The details about formulation and framework have been mentioned in the Report of Corporate Governance.

**SECRETARIAL STANDARDS**

The Company is compliant with all the mandatory Secretarial Standards as issued by the Institute of Company Secretaries of India.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and company's operations in future.

**APPRECIATION**

The Board of Directors sincerely thanks and wishes to place on record its appreciation of the Government of India, State Governments of West Bengal & Andhra Pradesh, Promoters of the Company, Lenders and the Employees of the Company for their whole-hearted co-operation and unstinted support. The Directors want to express their deep-felt thanks and best wishes to all the shareholders for the continued support and the trust they have reposed in the Management. The Directors look forward to a better future and further growth of your Company.

**Registered Office:**

'Lansdowne Towers'  
4<sup>th</sup> Floor, 2/1A, Sarat Bose Road  
Kolkata – 700 020

**For and on behalf of the Board  
For AKC Steel Industries Ltd.**

Sd/-

**Ashok Kumar Bansal**

*Whole Time Director*

Sd/-

**Manav Bansal**

*Director*

Date: 5<sup>th</sup> August, 2022

## ANNEXURE – A TO THE DIRECTORS REPORT

### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl No.	Name of Director/ KMP and Designation	Remuneration of Director/KMP for financial year 2021-22 (Rs. in lacs)	% increase in Remuneration in the financial year 2021-22	Ratio of remuneration of each Director/ to median remuneration of employees
1.	Mr. Ashok Kumar Bansal (Whole Time Director)	3.00	Nil	1.25:1
2.	Mr. R. Jagadeeswara Rao (Chief Financial Officer)	7.34	Nil	3.07:1
3.	Ms. Debolina Karmakar (Company Secretary #)	2.19	NIL	N.A.
4.	Mrs. Sangita Roy (Company Secretary*)	0.96	N.A.	N.A.

# Resigned w.e.f. 29.10.2021

\* Appointed w.e.f. 03.01.2022 and resigned and released w.e.f. 01.05.2022

**Note:** No other Director other than the Whole time Director received any remuneration other than sitting fees during the financial year 2021-22.

- ii) The median remuneration of employees of the Company during the financial year was Rs. 2.39 Lakhs.
- iii) In the financial year, there was marginal increase in the median remuneration of employees.
- iv) There were 15 permanent employees on the rolls of Company as on March 31, 2022.
- v) Average percentage increase made in the salaries of the employees other than the managerial personnel in the financial year 2021-22 was 10.78%% (PY 2020-21 was 8.14%) whereas there was no change in the managerial remuneration of Wholetime Director for the financial year .
- vi) It is hereby affirmed that the remuneration paid during the year ended 31<sup>st</sup> March, 2022 as per the Remuneration Policy of the Company.

## ANNEXURE – B TO THE DIRECTORS REPORT

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2022 MR-3

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

To,  
The Members,  
A K C Steel Industries Ltd  
Lansdowne Towers, 4th Floor,  
2/1A, Sarat Bose Road,  
Kolkata – 700 020

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I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. A K C Steel Industries Ltd. (hereinafter called 'the Company') bearing CIN: L27109WB1957PLC023360. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the M/s A K C Steel Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022, has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by AKC Steel Industries Limited ('the Company') for the financial year ended on 31<sup>st</sup> March, 2022, **to the extent Acts / provisions of the Acts applicable**, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) I further report that, having regards to compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis and on representation made by the Company and its officers for compliances under other applicable Acts, laws and Regulations to the Company, the Company has complied with the laws applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with the Calcutta Stock Exchange Ltd.

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

**I further report that -**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review and the composition of Board of Directors of the Company is in conformity with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

**I further report** that during the audit period the Company has no other reportable specific events, actions having a major bearing on the Company's affairs in pursuance of the laws, regulations, guidelines, standards, etc. referred to above.

None of the Directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

5A, N.C. Dutta Sarani,  
(Formerly Civil Ghat Street)  
3rd Floor, Kolkata - 700 001  
**Phone : 2262-8200 / 40054842**  
**email : santibrewalla@rediffmail.com**  
Date: 04.08.2022

Sd/-  
**Santosh Kumar Tibrewalla**  
Practising Company Secretary (Peer Reviewed)  
Membership No. : 3811  
Certificate of Practice No. : 3982  
PRC No. : 1346/2021  
UDIN : F003811D000742857

**ANNEXURE - C TO DIRECTORS' REPORT**  
**SECRETARIAL COMPLIANCE REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2022**

**SANTOSH KUMAR TIBREWALLA**  
**B.Com. (Hons.) LL.B., FCS.**  
**Practising Company Secretary**

**5A, N.C. Dutta Sarani,**  
**(Formerly Clive Ghat Street)**  
**3<sup>rd</sup> Floor, Kolkata - 700 001**  
**Phone : 2262-8200 / 40054842**  
**email : santibrewalla@rediffmail.com**

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**Secretarial Compliance Report of AKC Steel Industries Limited for the year ended 31<sup>st</sup>March, 2022**  
*[Under regulation 24A of SEBI(Listing Obligations and Disclosure Requirements), Regulations, 2015]*

I, **Santosh Kumar Tibrewalla, Practising Company Secretary** have examined:

- a. all the documents and records made available to me and explanation provided by **M/s AKC Steel Industries Limited** having its registered Office at **Lansdowne Towers, 2/1A, Sarat Bose Road, 4<sup>th</sup> Floor, Kolkata-700020** ("the Company"),
- b. the filings/ submissions made by the Company to the Stock Exchange,
- c. website of the Company,
- d. any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the financial year ended **31<sup>st</sup> March, 2022** in respect of compliance with the provisions of :
  - i. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
  - ii. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- ii. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- iii. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- iv. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- v. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- vi. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- vii. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- viii. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- ix. 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; and circulars/ guidelines issued thereunder.

And based on the above examination, I hereby report that, during the period reviewed:

- a. The Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No	Compliance Requirement (Regulations/ circulars /guidelines including specific clause)	Deviations	Observations/ Remarks of the Practising Company Secretary
	Not Applicable		

- b. The Company has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records,
- c. The following are the details of actions taken against the Company/ its promoters/ Directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr.No	Action taken by	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practising Company Secretary, if any.
No such event reported to us				

d. The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations of the Practising Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practising Company Secretary on the actions taken by the listed entity
Not Applicable				

Sd/-

5A, N.C. Dutta Sarani,  
 (Formerly Civil Ghat Street)  
 3rd Floor, Kolkata - 700 001  
**Phone : 2262-8200 / 40054842**  
**email : santibrewalla@rediffmail.com**  
 Date: 29.04.2022

**Santosh Kumar Tibrewalla**  
 Practising Company Secretary (Peer Reviewed)  
 Membership No. : 3811  
 Certificate of Practice No. : 3982  
 PRC No. : 1346/2021  
 UDIN : F003811D000235966

## ANNEXURE TO THE DIRECTORS' REPORT REPORT ON CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The philosophy of Corporate Governance is the creation and enhancement of long-term sustainable value for all the stakeholders, comprising investors, vendors, employees, customers, regulators, statutory authorities and the society at large. We at AKC Steel believe in being transparent and commit ourselves to adherence of good corporate governance at all times by ethically driven business policies. The Company adheres to the highest standards of business ethics, compliance with all statutory and legal requirements and commitment to transparency in business dealings. The code of conduct highlights corporate governance as the corner stone for sustained management performance, for serving all the stakeholders.

Your Company is committed to protect the rights of its shareholders, conducting its business in a fair and transparent manner to achieve long term growth to enhance shareholders value and also value of other stakeholders. We consider it our inherent responsibility to protect the rights of our shareholders and disclose timely, adequate and accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

The report containing the details of Corporate Governance systems and processes at AKC Steel Industries Ltd. that is in accordance with the SEBI (LODR), Regulations, 2015 of the Listing Agreement with the Calcutta Stock Exchange Limited (CSE) is as follows :

The Board of Directors of the Company ('the Board') governs the Company and deliberately creates a culture of leadership to provide a long-term vision to improve the quality of governance. The Board has adopted Guidelines to fulfill its corporate governance responsibility towards its stakeholders. These guidelines provide for the composition and role of the Board and ensure that the Board will have the necessary authority and processes in place to review and evaluate the Company's operations. Therefore, the Board has adopted various codes and policies, i.e. code of conduct, code of conduct for prohibition of Insider Trading, Vigil Mechanism and Whistle Blower Policy, Policy on Materiality of Related Party Transactions etc., to carry out its duties and responsibilities in a fair and ethical manner.

### BOARD OF DIRECTORS

#### a) Composition and category of Directors as on 31<sup>st</sup> March, 2022

The Board has a combination of Executive & Non-Executive & Independent Directors on the Board and are in accordance with the Corporate Governance Practices. The Board Comprised of 6 (Six) Directors as on 31<sup>st</sup> March, 2022 out of which 3 (Three) are Independent Directors including 1 (One) Independent Woman Director and two are Promoter Non-Executive and one is Wholetime Director are as under :

Name of the Director	Category	No. of Directors	Designation	% to Total No. of Directors
Mr. Ashok Kumar Bansal	Non-Promoter	1	Whole Time Director	17
Mr. Mukesh Chand Bansal	Promoter	2	Non-Executive Directors	33
Mr. Manav Bansal				
Mr. Bhal Chandra Khaitan	Non – Executive	3	Independent Directors	50
Mr. Bharat Kumar Nadhani			Independent Woman Director'	
Ms. Shyanthi Dasgupta				
TOTAL		6		100

The numbers of Independent Directors are 3 (three) including an Independent Woman Director which is in compliance with the SEBI Listing Regulation. All Independent Directors are professionals, experienced and competent Directors with specialization from various fields having wide range of skills and expertise in industry, finance, accounts, banking, insurance, management, technology and other allied fields of the Company which helps the Board for good decision making thereby ensuring the best interest of all the stakeholders of the Company. The Board reviews its policies and strategies from time to time to ensure that it remains aligned with the business requirements as well as are in the best interest of the stakeholders. All Independent Directors meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and SEBI Listing Regulations, 2015.

Your Board holds a diverse and highly professional, experienced and competent Directors having knowledge and expertise in industry, finance, law, banking, insurance, management, technology and other allied fields which enables them to carry on their responsibilities and business effectively.

The Directors of the Company are appointed by the shareholders at General Meetings. 1/3rd of such Directors are liable to retire by rotation, if eligible, generally offer themselves for re-election, in accordance with the provisions of Section 152 of the Companies Act, 2013 and that of the Articles of Association of the Company.

#### b) Board Meetings

Attendance of each Director at Board Meeting and attendance at the last Annual General Meeting held on 27.09.2021 and Number of other Directorship and Chairmanship/ Membership of Committee of each Director in various Companies are as under:



Category	Name of Director	Designation	Date of Joining the Board	No. of Board Meetings held during FY 2021-22	No. of Board Meetings attended	Attendance at the last AGM held on 27.09.2021	No. of Directorship in other Indian Public Ltd. Cos.*	No. of other Chairmanship(s)/ Membership(s) of Audit/Stakeholder Committees in other Indian Public Ltd. Cos as on 31st March 2022**	
								Chairman-ship(s)	Member-ship(s)
Executive Directors	Mr. Ashok Kumar Bansal	Wholetime Director	30.01.1999	4	2	YES	Nil	Nil	Nil
<b>Non-Executive Directors</b>									
Promoter Director	Mr. Mukesh Chand Bansal	Non-Executive Director	08.05.1999	4	4	YES	2	1	1
Promoter Director	Mr. Manav Bansal	Non-Executive Director	30.01.1999	4	4	YES	2	Nil	3
Independent Directors	Mr. Bhal Chandra Khaitan	Independent Director	29.12.2005	4	4	YES	3	2	3
	Mr. Bharat Kumar Nadhani	Independent Director	12.08.2019	4	4	YES	1	1	3
	Mrs. Shyanthi Dasgupta	Independent Woman Director	31.03.2015	4	4	YES	1	Nil	2

\*Excludes Directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

\*\*Only two Committees viz. the Audit Committee and the Stakeholder Relationship Committee are considered for this purpose.

The list of Companies where the persons are Directors and the category of Directorship are as follows:

Name of the Director	Name of the Listed Entity where the person is a Director	Category of Directorship
Mr. Ashok Kumar Bansal	NIL	N.A.
Mr. Mukesh Chand Bansal	1. Beekay Steel Industries Ltd	Executive Director
Mr. Manav Bansal	1. Beekay Steel Industries Ltd	Wholetime Director & CFO
Mr. Bhal Chandra Khaitan	1. Beekay Steel Industries Ltd 2. Super Forgings & Steels Ltd 3. Technical Associates Infrapower Limited	Non-Executive, Independent Director
Mr. Bharat Kumar Nadhani	1. Beekay Steel Industries Ltd	Non-Executive, Independent Director
Ms. Shyanthi Dasgupta	1. Beekay Steel Industries Ltd	Non-Executive, Independent Director

During the year under review, the Board of Directors of the Company met 4 (Four) times on 29.06.2021, 13.08.2021, 11.11.2021 and 10.02.2022. The maximum gap between two Board Meetings did not exceed 120 (one hundred and twenty) days in terms of Regulation 17 (2) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Standards and the provision of the Companies Act, 2013.

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees as specified in the SEBI (LODR), Regulations, 2015 of the Listing Agreement across all the Companies in which he/ she is a Director. The necessary disclosures regarding committee positions have been made by the Directors.

### c) Board Committees, Meetings and Procedures

The Board is entrusted with the responsibility of looking after work of the management and performance of the Company. The Board of Directors of the Company oversees the overall functioning of the Company. The Directors play a fiduciary role in reviewing and guiding corporate strategy, major plans of action, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, so as to ensure that Board act in good faith, with due diligence and care, and in the best interest of the shareholders. The Wholetime Director and promoter Directors are entrusted with wide range of functions from operation, marketing & administration and duly

assisted by the Chief Executive Officer, Company Secretary including Senior Managerial Personnel in overseeing the functional matters of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the stakeholders are being served.

The Board has constituted Four Standing Committees to look after the operation of the Company within a given framework, namely, Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee & Share Transfer Committee. A strategy meet of the Board of Directors is generally held at appropriate intervals to formulate, evaluate and approve the business strategy of the Company. The meeting focuses on strategic goals, financial management policies, management assurances and control aspects and the growth plan of the Company and compliance management.

The meetings are usually held at the Company's Registered Office at "Lansdowne Towers", 4<sup>th</sup> Floor, 2/1A, Sarat Bose Road, Kolkata – 700 020. A minimum of four Board Meetings are held every year. Dates for the Board Meetings in the ensuing quarter are decided well in advance and communicated to the Directors alongwith the agenda items and necessary documents & information were provided to all Directors beforehand to make able the Board of Directors to take proper decision. The Board is also provided with Audit Committee observations on the internal audit findings and matters required to be included in the Director's Responsibility Statement. The Company Secretary is the Secretary to all the above Committees of the Board.

#### **Expertise & Skills of the Board of Directors**

The Board of Directors of the Company are required to uphold ethical standards of integrity and probity and are required to have expertise, experience and core knowledge in the sectors relevant for the growth of the Company.

The Board members of the Company are holding requisite skills, expertise and competencies that allow them to make effective contribution to the Board and its Committees.

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

<b>Finance</b>	Leadership in Corporate/ business finance is an important and inevitable function and efficient financial management is crucial for success and sustenance. It results in proficiency in financial management, procurement and utilisation of funds and controlling the financial activities and management of financial resources.
<b>Strategy &amp; Planning</b>	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
<b>Global Business</b>	Understanding, of global business dynamics, across various geographical markets with an understanding of industry verticals, regulatory jurisdictions, economic conditions, cultures and a broad perspective on global market opportunities.
<b>Leadership</b>	Leadership experience leads to maximize efficiency and to achieve Company goals by understanding the opportunities and threats, processes, strategic planning and risk management and discussing the financial performance and long-term growth.
<b>Procurement, Sales &amp; Marketing</b>	Experience in procurement of raw materials, production aspects, marketing technical aspect of production, quality control, purchase management and developing strategies to grow sales and market share, build brand awareness and enhance Company reputation.
<b>Governance</b>	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements, driving corporate ethics and values and observing appropriate governance practices.
<b>Administration</b>	Leadership in administration of a Company, results in long-term growth by planning, organising, directing and controlling the operations, creating rules and regulations and making decisions towards achieving a common goal or objective of the Company.

#### **d) Separate Meeting of Independent Directors**

The Independent Directors of the Company meet once in a year informally through a Meeting called Independent Directors Meeting. This meeting is conducted in an informal and flexible manner to enable the Independent Directors to discuss matters pertaining to the affairs of the Company and put forth their views to the Chairman and Managing Director.

During the year under review, the Independent Directors met on 13<sup>th</sup> August, 2021, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The performance of the Chairperson of the Company, taking into account the views of executive Directors and non-executive Directors; and

The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

**e) Shares held by non-executive Directors**

The shareholdings of Non-Executive Directors as on 31st March, 2022 are given hereunder:-

Name of Directors	Category	No. of Shares held as on 31-03-2022	% to total share Capital
Mr. Mukesh Chand Bansal	Non-Executive (Promoter Director)	171080	4.12
Mr. Manav Bansal		61550	1.48
Mr. Bhal Chandra Khaitan	Non-Executive (Independent Director)	Nil	NA
Mr. Bharat Kumar Nadhani	Non-Executive (Independent Director)	Nil	NA
Mrs. Shyanthi Dasgupta	Non-Executive (Independent Woman Director)	Nil	NA

**f) Familiarization Programme imparted to Independent Directors**

Familiarization Program for Independent Directors aims to provide insights into the Company to enable the Independent Directors to understand its business in-depth and contribute significantly to the Company. As required under Regulation 25 of the SEBI LODR Regulations, the Company has familiarized Independent Directors with their roles, rights and liabilities in the Company, nature of the industry in which the Company operates, business models, updates and developments including various measures and other relevant information pertaining to the Company's business through familiarization programmes. Details of the familiarization programmes of the Company have been disclosed on the Company's website: [www.akcsteel.com](http://www.akcsteel.com).

All new Directors (including Independent Directors) inducted to the Board are given a formal orientation. The familiarization programme for our Directors is customised to suit their individual interests and area of expertise. This enables the Directors to get a deep understanding of the Company, its people, values and culture and facilitates their active participation in overseeing the performance of the Management.

**Code of Conduct**

The Company has framed Code of Conduct for the Directors and Senior Management of the Company. The Directors and Senior Management have affirmed compliance of the said Code of Conduct as on 31<sup>st</sup> March, 2022. The Code is displayed on the Company's website: [www.akcsteel.com](http://www.akcsteel.com).

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992 (as amended), the Board has approved the 'Code of Conduct for prevention of Insider Trading' and entrusted the Audit Committee to monitor the compliance of the code.

**Vigil Mechanism Whistle Blower Policy**

In compliance with provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of amended SEBI LODR Regulation, the Company has framed a Vigil Mechanism Whistle Blower Policy to deal with unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy, if any. The Vigil Mechanism/Whistle Blower Policy has also been uploaded on the website of the Company.

Commitment towards highest moral and ethical standards in the conduct of business is of utmost importance to the Company. The Audit committee oversees the vigil mechanism and the persons who avail the mechanism are encouraged to escalate to the level of the Audit Committee for any issue of concerns impacting and compromising with the interest of the Company and its stakeholders in any way. This policy also allows the direct access to the Chairperson of the Audit Committee and makes protective disclosures about the unethical behavior, actual or suspected fraud or violation.

**BOARD COMMITTEES**

**AUDIT COMMITTEE**

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to any Government Body or to the investors or the public; the company's system of internal controls regarding finance, accounting and legal compliances that Management and the Board have established.

The Audit Committee reviews the financial accounting policies, adequacy of internal control systems before submission to the Board and interacts with the statutory auditors and internal auditors, review of observations of auditors and to ensure compliance of internal control systems, authority for investigation and access for full information and external professional advice for discharge of the functions delegated to the Committee by the Board. Senior Executives and functional heads are invitees to the committee meetings. All the members of the Committee are financially literate.

Audit Committee of the Board comprises three Directors and all are non-executive Directors out of which two are Independent Directors & one is Non-Executive Director. The composition of the Audit Committee meets the requirements as per Section 177 of the Companies Act, 2013 and SEBI (LODR), Regulations, 2015. The Company Secretary is the Secretary of the Committee.

4 (Four) meetings of the Audit Committee were held during the financial year ended 31<sup>st</sup> March, 2022 on 29.06.2021, 13.08.2021, 11.11.2021 & 10.02.2022 as against the minimum requirement of four meetings.

Composition of the Audit Committee and attendance of the members at Committee meetings as on 31<sup>st</sup> March 2022 are as follows:

Name of the Members	Category	No. of Meetings Held	No. of Meetings Attended	Attendance (%)
Mr. Bhal Chandra Khaitan	Non- Executive –Independent Director –Chairman	4	4	100
Mr. Manav Bansal	Non- Executive Director- Member	4	4	100
Mr. Bharat Kumar Nadhani	Non- Executive –Independent Director –Member	4	4	100

The Company Secretary acts as the Secretary to the Committee. The internal auditor reports functionally to the Audit Committee. The Audit Committee meetings are usually held at Company's Registered Office and the Wholtime Director/ Non-Executive Directors and Senior Management of the Company also attend the meetings as invitees whenever required to address concerns raised by the Committee Members.

The terms of reference of Audit Committee are as per Section 177 of the Companies Act, 2013 and as per SEBI LODR Regulation, 2015.

The scope of the Audit Committee, inter alia, includes:

- Review of the Company's financial reporting process, the financial statements and financial/risk management policies;
- Review of the adequacy of the internal control systems and finance of the internal audit team;
- Discussions with the management and the external auditors, the audit plan for the financial year and joint post-audit and review of the same.
- Recommendation for appointment, remuneration & terms of appointment of Auditors, etc.

The terms of reference of Audit Committee are as per Section 177 of the Companies Act, 2013 and Reg 18(3) of SEBI (LODR), Regulations, 2015. The broad terms of reference of Audit Committee are:

The present terms of reference / scope and function of the Audit Committee are as follows:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same ;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings ;
  - Compliance with listing and other legal requirements relating to financial statements ;
  - Disclosure of any related party transactions ;
  - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of Chief Financial Officer (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Reviewing the utilization of loans/or advances from/investment by the holding Company in the subsidiary exceeding<sup>1</sup> 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments. Examining the financial statement and the auditor's report thereon;
21. Monitoring the end use of funds raised through public offers and related matters;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
23. To review -
  - o Management discussion and analysis of financial condition and results of operations;
  - o Statement of significant related party transactions, submitted by the management;
  - o Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
  - o Internal audit reports relating to internal control weaknesses, etc.
  - o Secretarial audit report relating to suspected fraud or irregularity or a failure of compliance of any legislation.
  - o Review the appointment, removal and terms of remuneration of the chief internal auditor.

The Audit Committee is empowered to investigate any activities within its terms of reference, seek information from employees, obtain outside legal or other professional advice or secure attendance of outside experts of relevant field as and when necessitated. The Audit Committee also reviews such matters as referred to it by the Board.

#### **NOMINATION & REMUNERATION COMMITTEE**

The terms of reference and constitution of the Nomination & Remuneration Committee (NRC) are compliance with Section 178 of the Companies Act, 2013 and pursuant to Regulation 19 and Part D of Schedule II of SEBI LODR Regulations, 2015. The Committee has formulated the criteria for evaluation of the Board and Non-Independent Directors includes framing of specific remuneration package of Executive Directors and sitting fees for Non-Executive Directors etc. and approval of remuneration to the managerial personnel as per the Company's policy on the same.

The terms of reference of the Nomination & Remuneration Committee are as follows:

- i. To identify persons who are qualified to become Directors and who may be appointed in the Senior management in accordance with the criteria laid down and to recommend to the Board their appointment, terms of appointment and/or removal;
- ii. To formulate a criteria for determining the qualification, positive attitudes, independence of a Director and evaluation of Independent Directors and the Board;
- iii. To evaluate every Directors performance;
- iv. To recommend to the Board a policy, relating to the remuneration for the Directors, key managerial persons and other employees;
- v. To ensure that the level of composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- vi. To ensure that the relationship of remuneration to performance is clear and meets the appropriate performance benchmarks;
- vii. To ensure that the remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals;
- viii. To devise a policy on Board diversity.
- ix. To identify 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.
- x. To ensure whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- xi. To recommend to the board, all remuneration, in whatever form, payable to senior management.
- xii. To carry out any other function as is mandated by the Board of Directors of our Company or prescribed by the Listing Agreement, as amended, from time to time.
- xiii. To invite any employee or such document as it may deem fit for exercising of its functions
- xiv. To obtain such outside or professional advice as it may consider necessary to carry out its duties.

The Committee comprises of three Directors, two Non-Executive Independent Directors and one Non Executive Director. During the year under review two meetings of the Committee were held on 13<sup>th</sup> August 2021 & 10<sup>th</sup> February 2022.

Composition of the Nomination & Remuneration Committee and attendance of the members at Committee meetings as on 31<sup>st</sup> March 2022 are as follows:

Name of Directors	Category	No. of Shares held	No. of Meetings Attended	Attendance in (%)
Mr. Bharat Kumar Nadhani	Non-Executive-Independent Director-Chairman	2	2	100
Mr. Mukesh Chand Bansal	Non-Executive Director-Member	2	2	100
Mrs. Shyanthi Dasgupta	Non-Executive-Independent Woman Director-Member	2	2	100

The Board decided and fixes the powers and roles of the Committee from time to time.

The Company follows the policy to fix remuneration of Managing Director/ Whole Time Director by taking into account the financial position of the Company, trend in the Industry, qualification, experience, past performance and past remuneration of the respective Directors in the manner to strike a balance between the interest of the Company and the Shareholders.

#### Performance Evaluation

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees. The objective of the board evaluation includes improvement in the effectiveness of board, Committees and individual Directors, to enhance their strengths and to overcome the short comings, the evaluation process focuses on various issues facing the Company and their prioritization, quality of deliberations at board and Committee meetings, review of specific issues of importance dealt during the evaluation period.

The process of Board Evaluation broadly comprises of following:

- The board evaluates the performance of the Independent Directors excluding the Directors being evaluated.
- The Nomination and Remuneration Committee evaluates the performance of each Director with respect to the responsibility as entrusted on him/her.
- The Independent Directors evaluates the performance of the Non- Independent Directors including the Chairperson of the Company taking into account the views of the Executive and Non-Executive Directors and the Board as a whole.
- Performance Evaluation of the various Committee of the Board.

#### Performance evaluation criteria for Independent Directors

The following criteria may assist in determining how effective the performances of the Independent Directors have been:

- Leadership & Managerial abilities.
- Contribution to the corporate objectives & plans.
- Communication of expectations & concerns clearly with subordinates.
- Obtaining adequate, relevant & timely information from external sources.
- Review & approval of strategic & operational plans of the Company, its objectives and budgets.
- Regular monitoring of corporate results against projection.
- Identification, monitoring & mitigation of significant corporate risks.
- Assessment of policies, structures & procedures followed in the Company and their significant contribution to the same.
- Direct, monitor & evaluate KMPs, senior officials.
- Regularity in attending meetings of the Company and inputs therein.
- Review & Maintenance of corporation's ethical conduct.
- Ability to work effectively with rest of the Board of Directors.
- Commitment to the promotion of equal opportunities, health and safety in the workplace.

#### Remuneration to Directors

##### Remuneration Policy /Criteria

- i) **Executive Directors** : The Company follows the policy to fix remuneration to Whole Time Director by taking into account the financial position of the Company, trend in the Industry, qualification, experience, past performance and past remuneration of the respective Directors in the manner to strike a balance between the interest of the Company and the Shareholders. The Whole Time Director of the Company is appointed on contractual basis, on terms approved by the shareholders. Their remuneration comprises salary, allowances, commission and perquisites etc.
- ii. **Non-Executive Directors** : The Non-executive Directors (including Independent Directors) are paid compensation by way of sitting fees on uniform basis. The sitting fees payable to the Non-Executive Directors is based on the number of meetings of the Board & other Committees of the Board attended by them. The Company pays sitting fees at the rate of Rs. 2000/- for each meeting of the Board and Committees attended by them.

iii. **KMPs & Senior Management Personnel** : The Board on the recommendation of the NRC fix the remuneration payable to the Key Managerial Personnel and Senior Management Personnel. The criteria also oversees the industry trend, quality and experience of the personnel. These factors not only contributes to the Company but makes their job satisfaction.

The details of remuneration paid /payable to the Wholetime Director and Sitting Fees paid/ payable to Non-Executive Directors are given hereunder:-

(Rs.)

Name of Directors	Remuneration Paid/Payable for the year ended 31 <sup>st</sup> March, 2022					Service Terms	
	Salary	Bonus	Benefits	Sitting Fees	Pay Scale per Month	Period	Effective From
Mr. Ashok Kumar Bansal	3,00,000	—	—	-	25,000	5 Years	01-10-2020
Mr. Mukesh Chand Bansal	—	—	—	24,000	—	—	—
Mr. Manav Bansal	—	—	—	28,000	—	—	—
Mr. Bhal Chand Khaitan	—	—	—	22,000	—	—	—
Mr. Bharat Kumar Nadhani	—	—	—	22,000	—	—	—
Mrs. Shyanthi Sengupta	—	—	—	22,000	—	—	—

**Notes :**

- The sitting fees of the Directors were revised from Rs.500/- to Rs. 2,000/- per meeting of the Board of Directors (including committee meetings). Non-Executive Directors were paid sitting fees as per the Policy of the Company.
- The Company has not entered into any other pecuniary relationship or transactions with the Non-Executive Directors.
- The Notice period and severance fees are not applicable to the Executive Director of the Company.

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

The terms of reference and constitution of the Stakeholders Relationship Committee (SRC) are in compliance with the provisions of the Companies Act, 2013 and pursuant to Regulation 20 and Part D of Schedule II of SEBI LODR Regulations, 2015.

The main tasks of Stakeholders Relationship Committee is to looks into redressing of shareholders' and investors grievances like non transfer / transmission of Shares, non- receipt of declared Dividend, Balance Sheet, dematerialization & re-materialization of Shares, etc. The Company has registered with SCORES of SEBI for Redressal of Investors' Grievances on-line.

The terms of reference and constitution of the SRC are in compliance with the provisions of the Companies Act, 2013 and pursuant to Regulation 20(4) and Part D of Schedule II of SEBI LODR Regulations, 2015.

The Board has also modified the scope of the Committee to align it with and SEBI (LODR), Regulations, 2015, which is as follows:

- To review the reports submitted by the Registrars and Share Transfer Agents of the Company at Half yearly intervals.
- To interact periodically and as & when required with the Registrars and Share Transfer Agents to ascertain and look into the quality of the Company's Shareholders/ Investors grievance redressal system and to review the report on the functioning of the said Investor grievances redressal system.
- To consider and resolve the grievances of the security holders of the company.
- To periodically report to the Board about serious concerns if any.
- To follow-up on the implementation of suggestions for improvement.

The terms of reference of the SRC are as follows:

- To resolve the grievances of the security holders of the listed entity.
- To review measures taken for effective exercise of voting rights by shareholders.
- To review adherence to the service standard adopted by the company in respect of services rendered by Registrar & Share Transfer Agent (RTA)
- To review measures taken by the company for reducing quantum of unclaimed dividends
- To ensure timely receipt of dividend warrants/annual report/statutory notices by the shareholders of the company.

The SRC comprises of 3 Directors out of whom one is Independent Director & Mr. Mukesh Chand Bansal is the Chairman of the Committee. The Committee comprises of the following Directors:

4 (Four) meetings of the SRC were held during the financial year ended 31<sup>st</sup> March, 2022 on 29.06.2021, 13.08.2021, 11.11.2021 & 10.02.2022. The composition and attendance details of the Committee for the year ended 31<sup>st</sup> March, 2022 are given hereunder:

Name of the Members	Category	No. of Meetings Held	No. of Meetings Attended
Mr. Mukesh Chand Bansal	Non-Executive Director (Promoter)–Chairman	4	4
Mr. Manav Bansal	Non - Executive Director (Promoter) –Member	4	4
Mrs. Shyanthi Dasgupta	Non-Executive – Independent Woman Director - Member	4	4

The Company Secretary is the Secretary of the Committee.

The Company Secretary was the Compliance Officer for complying with the requirements of SEBI Regulations and SEBI (LODR), Regulations, 2015. His address and contact details are as given below:

Address : Lansdowne Towers, 4<sup>th</sup> Floor, 2/1A, Sarat Bose Road, Kolkata-700020

Phone : 033-4060 4444

Fax : 033-2283 3322

Email : [contact@akcsteel.com](mailto:contact@akcsteel.com) / [rksahoo@beekaygroup.co.in](mailto:rksahoo@beekaygroup.co.in)

Number of complaints from members received and resolved during the period under review and pending as on 31-03-2022 are as follows:

#### Shareholders' Complaints

The numbers of shareholders'/ investors' complaints received, resolved/ replied and pending during the year under review are as under:

Nature of complaints	Received	Resolved/ Replied	Pending
Non-receipt of share certificates	Nil	Nil	Nil
Non-receipt of annual reports	Nil	Nil	Nil
Others	Nil	Nil	Nil
<b>Total</b>	Nil	Nil	Nil

No request for Share transfer remains pending for registration for more than 15 days except in one case which is delayed beyond 15 days. No complaint / query is received by the Company during the financial year and no complaint is pending as on 31st March, 2022.

#### Securities and Exchange Board of India ('SEBI') Complaints Redress System ("SCORES")

As per the SEBI directive, the investors desirous of making complaints pertaining to the listed Companies has to be made electronically and sent through SCORES and the Companies or their appointed Registrar & Share Transfer Agent (R&TA/ STA) are required to view the pending complaints and submit 'Action Taken Report' ('ATRs') along with necessary documents electronically in SCORES. Further, there is no need to file any physical ATRs with SEBI. **The Company is already registered under SCORES to efficiently and effectively redress the investors/shareholders complaints in time.**

#### SHARE TRANSFER COMMITTEE

The Board has modified the scope of the Committee to align it with the SEBI LODR Regulations, 2015 and in compliance with the provisions of the Companies Act, 2013. The functions of the Share Transfer Committee ( STC) includes approval of share transfers and transmissions taking actions and any other matter(s) out of and incidental to these functions and such other acts assigned by the Board.

During the period under review there are no meetings of the share transfer committee were held.

The Share Transfer Committee comprises of 3 Directors and the Chairman of the Committee is Non-executive Director. The Composition of the Committee are as follows:

Name of Directors	Category
Mukesh Chand Bansal	Non-Executive Director - Chairman
Bhal Chandra Khaitan	Non-Executive - Independent Director - Member
Manav Bansal	Non-Executive Director - Member

Generally, the meetings of the Committee are held whenever necessary for transfer / transmission of shares, issue of duplicate share certificates, change of name/status, transposition of names, sub-division/ consolidation of share certificates, de-materialisation/ re-materialisation of shares, etc. The Committee met twice on 8<sup>th</sup> July 2021 & 16<sup>th</sup> December 2021 during the year under review.

The Company Secretary was acting as the Secretary to the Committee.

As at 31<sup>st</sup> March, 2022, total 34,30,275 nos. of equity shares constitutes 82.6572 % (previous year – 33,85,705 nos. of equity shares - 81.5832 %) of the Company's equity shares are held in dematerialized form.

#### GENERAL BODY MEETINGS

**Date, Time and Location where last three Annual General Meetings held:**

Year and Time	Type of Meeting	Date & Time of Meeting	Venue	If Special Resolution(s) Passed
2020-21	48 <sup>th</sup> AGM	27-09-2021 at 1.00 P.M.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"),	No
2019-20	47 <sup>th</sup> AGM	26-09-2020 at 11.30 A. M.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"),	No
2018-19	46 <sup>th</sup> AGM	21-09-2019 at 10.30 A. M.	'ROTARY SADAN', S.S. Hall, 94/2, Chowringhee Road, Kolkata-700 020	Yes



#### a) Extraordinary General Meeting

No extraordinary general meeting of the members was held during the year 2018-19, 2019-20 & 2020-21.

No Special Resolution was passed through Postal Ballot Meeting during the financial years 2018-19, 2019-20 & 2020-21.

No special resolution proposed to be transacted at the ensuing Annual General Meeting is required to be passed by Postal Ballot in terms of Section 110 of the Companies Act, 2013 and Rules made thereunder in view of the amendment made in Section 110 by Companies (Amendment) Act, 2017 which inter alia provides that 'any item proposed to be transacted by Postal Ballot may be transacted at the general meeting by a Company provided that the Company is providing facility of e-voting to its members under section 108 of the Companies Act, 2013'.

In compliance with section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (LODR) Regulations, 2015 Members of the Company were provided with the facility to cast their vote electronically through the e-voting services provided by CDSL, on all resolutions set forth in the Notice of 48<sup>th</sup> Annual General Meeting. Members were also given options to cast their vote physically in that Annual General Meeting.

#### Details of Directors seeking appointment / re-appointment

The Details of Directors seeking appointment / re-appointment as required under SEBI (LODR), Regulations, 2015 and Secretarial Standard 2 as issued by the Institute of Company Secretaries of India with the Stock Exchanges) is given in annexure to the notice which forms part of this Report.

#### MEANS OF COMMUNICATION

Financial Results:- The quarterly, half yearly & yearly financial results of the Company are also published in the prescribed format within 48 hours of the conclusion of the meetings of the Board in both English and Bengali Newspapers.

The unaudited / audited quarterly & half yearly financial results as approved by the Board of Director at its meeting are furnished to the stock Exchanges where the Company's shares are listed within the prescribed time-frame of the close of every quarter together with limited review report and yearly audited results alongwith Auditors Report as provided by the Auditors in compliance with SEBI (LODR) Regulations, 2015 and are published in leading newspapers in India which include 'Business Standard' and 'Arthik Lipi' and in leading regional/vernacular languages in Bengali within 48 hours of conclusion of Board Meeting. The results are also displayed on the Company's website "[www.akksteel.com](http://www.akksteel.com)".

**Website:** The Company's web site is [www.akksteel.com](http://www.akksteel.com) where the quarterly / annual results and other statutory & non-statutory information are displayed.

No presentation has been made to Institutional Investors or Analysts

#### GENERAL INFORMATIONS FOR MEMBERS

##### a. Annual General Meeting :

(Date, Time & Venue)

Date: 23.09.2022 , Friday

Time : 1.30 P.M.

Venue : Deemed to be held at Registered office

##### b. Date of Book Closure : 17.09.2022 to 23.09.2022 (Both days inclusive) - For AGM

##### c. Financial Year & Calendar : April'21- March'22

##### Financial Year 2022-23

Unaudited Results for the quarter ending 30th June, 2022	- In the mid of August, 2022
Unaudited Results for the quarter ending 30th Sept., 2022	- In the mid of November, 2022
Unaudited Results for the quarter ending 31st Dec., 2022	- In the mid of February, 2023
Audited Annual Accounts for 2022-23	- At the end of May, 2023
Annual General Meeting for the year Ending 31st March, 2023	- In the mid of Sept, 2023

##### d. Dividend payment : The Board have not recommended any Dividend on Equity Shares for the financial year ended on 31<sup>st</sup> March, 2022.

#### Details Of Unclaimed & Unpaid Dividend

There are no further unpaid and unclaimed dividend lying in the Unpaid Dividend Account. The Company has not declared dividend since the financial year 2012-13.

#### TRANSFER OF EQUITY SHARES TO INVESTOR EDUCATION & PROTECTION FUND AUTHORITY

In terms of the provision of Section 124(6) of the Companies, Act 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, ('IEPF Rules'), all the underlying shares in respect of which dividend has not been paid or claimed for seven consecutive years or more is required to be transferred by the Company to the Demat Account of the Investor Education and Protection Fund Authority ('IEPF Authority') subject to the condition that such shares shall not be transferred if the beneficial owner has encashed any dividend during the last seven years.

The Company has transferred 179674 equity shares to the Investor Education and Protection Fund Authority whose dividends were unpaid & unclaimed for the financial year 2009-10. The Company is in the process to transfer the equity shares to the Investor Education and Protection Fund Authority whose dividends were unpaid & unclaimed for the financial year 2010-11.

As per the Investor Education & Protection Fund (IEPF) Rules the detailed list of shareholders whose shares were transferred to IEPF are updated in the website of the Company ([www.akcsteel.com](http://www.akcsteel.com)) for your reference.

#### e. Listing

The equity shares of your Company continues to be listed on The Calcutta Stock Exchange Ltd. (CSE), Kolkata. The Company has paid annual listing fees for the financial year 2022-23 to The Calcutta Stock Exchange (CSE).

The name and address of the Stock Exchange and the Company's Stock Code are given below.

The Calcutta Stock Exchange Ltd.: 7, Lyons Range, Kolkata - 700 001.

Stock Code: 10011019

#### f. Market price Data

Monthly High/ Low price during the Financial Year 2020-21 at the Calcutta Stock Exchange Ltd. depicting liquidity of the Equity Shares is given hereunder:

Month	Share Price		Month	Share Price	
	High	Low		High	Low
April, 2021	No Trading		October, 2021	No Trading	
May, 2021	-----do-----		November, 2021	-----do-----	
June, 2021	-----do-----		December, 2021	-----do-----	
July, 2021	-----do-----		January, 2022	-----do-----	
August, 2021	-----do-----		February, 2022	-----do-----	
September, 2021	-----do-----		March, 2022	-----do-----	

Note: 'No Trading' in the Stock Exchange due to non-functional of trading platform of the CSE

#### a. Performance in comparison

No comparison to broad based indices such as BSE Sensex / CRISIL to broad based indices, Index, etc. could be drawn since there is no trading in the Calcutta Stock Exchange during the financial year.

**b. Registrar and Share Transfer Agent:** M/s. Maheshwari Datamatics Pvt. Ltd.  
23, R.N Mukherjee Road, 5<sup>th</sup> Floor, Kolkata - 700001.  
Phone Nos. 91-33-2243-5029/5809, 2248-2248  
Fax No. 91-33-2248-4787  
E-Mail – mdpldc@yahoo.com  
Website : www.mdpl.in  
Contact Persons:- Mr. Choubey / Mr. Patra

#### c. Shares Transfer System :

Share Transfer assignment has been given to the Registrars and Share Transfer Agents. The Shares Transfer Committee is empowered to approve the Share transfers. Transfer Committee Meeting is held as and when required.

The Share Transfers/ transmissions, issue of duplicate certificate etc. are endorsed by Directors / Executives/ Officers as may be authorised by the Transfer Committee. Requests for transfers received from members and miscellaneous correspondence are processed/ resolved by the Registrars within stipulated time.

#### Distribution of Share as on 31<sup>st</sup> March, 2022.

Share Limit Notional Value of (Rs.)		No of Live Accounts	Percentage	Total No. of Shares	Percentage of Total Shares
From	To				
1	5000	2384	94.0063	351597	8.4722
5001	10000	94	3.7066	70005	1.6869
10001	20000	35	1.3801	51210	1.2340
20001	30000	5	0.1972	12280	0.2959
30001	40000	Nil	N.A.	Nil	N.A.
40001	50000	Nil	N.A.	Nil	N.A.
50001	100000	Nil	N.A.	Nil	N.A.
100001	Above	18	0.7098	3664908	88.3110
<b>Grand Total</b>		2536	100.0000	4150000	100.0000

**a. Share Holding Pattern as on 31<sup>st</sup> March, 2022:**

Category	No. of Shares	Percentage of Holding
Promoters & Associates	3105254	74.8254
Mutual Funds & UTI	—	—
Banks, Financial Institutions, Insurance Companies (Central/ State Govt, Institutions, Govt. Institutions)	100	0.0024
FIs	—	—
Private Bodies Corporates	356165	8.5823
Investor Education & Protection Fund Authority (IEPF)	179674	4.3295
Indian Public	507807	12.2363
Trust	700	0.0169
NRIs / OCBs	300	0.0072
<b>Total</b>	<b>4150000</b>	<b>100.00</b>

- a. Dematerialization of Shares:** As at 31<sup>st</sup> March, 2022, 34,30,275 nos. of equity shares constitutes 82.66 % (previous year – 33,85,705 - 81.58%) of the total paid up equity share capital are held in dematerialized form with Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Ltd. (NSDL) as on 31-03-2022.

**Code No. allotted by NSDL and CDSL:**

The Company's shares are activated for dematerialization with Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Ltd. (NSDL).

Under the Depository System, the International Securities Identification Number (ISIN) of the Company's Shares is **INE169D01019**.

- b. Outstanding Instruments:**

The Company has not issued any GDRs / ADRs / Warrants or any convertible Instrument.

As such, there is no impact on Equity of the Company.

- c. Machine Shop/Stockyard:** Plot No. 42, 43A, Block-D,  
Autonagar Yard,  
Visakhapatnam: 530 012, Andhra Pradesh  
Tel: (0891) 2511 595

- d. Address for Correspondence:**

AKC Steel Industries Ltd., 'Lansdowne Towers', 4<sup>th</sup> Floor, 2/1A, Sarat Bose Road, Kolkata 700 020. Phone Nos. (0 33) 30514444, Fax No: (033) 2283 3322

- e. Compliance Officer:**

*Company Secretary,*  
AKC Steel Industries Ltd.  
'Lansdowne Towers' 4th Floor,  
2/1A, Sarat Bose Road, Kolkata: 700 020,  
Phone Nos. (033) 4060 4444, Fax No: (033) 2283 3322

**OTHER DISCLOSURES :**

**DISCLOSURES**

- a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, Directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of listed entity at large :**

All transactions entered into with related parties as defined under the Act and SEBI LODR Regulations 2015 during the financial year were in the ordinary course of business. No related party transactions of materially significant nature were entered into by the Company with its promoters, the Directors or the management, their subsidiaries/associates or relatives, etc. which could conflict with the interests of the Company.

None of the transactions with any of the related parties were in conflict with the interest of the Company.

- b) Details of non-compliance by the Listed Entity, penalties, strictures imposed on the Listed Entity by Stock Exchange(s) or Securities and Exchange Board of India or any Statutory Authority, on any matter related to the capital markets, during the last three years :**

The Company has complied with various rules and regulations prescribed by the Stock Exchange, Securities and Exchange Board of India or any other Statutory Authority on any matter related to the capital markets during last four years. No penalty or strictures have been imposed by them on the Company during the last three financial years.

- c) Vigil Mechanism / Whistle Blower Policy :**

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been also put up on the website of the Company.

**d) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of the Corporate Governance :**

The Company has complied with all the applicable mandatory requirements of the applicable Regulations of SEBI (LODR) Regulations, 2015 and has adopted the following non-mandatory requirements of the aforesaid clause:-

**Reporting of Internal Auditor :** The Internal Auditors reports directly to the Audit Committee.

The Company has taken cognizance of other non - mandatory requirements as set out in applicable Regulations of SEBI (LODR) Regulations, 2015 and shall consider adopting the same at an appropriate time.

**e) Policy for determining 'material' Subsidiary:**

The Company does not have any material non-listed Indian Subsidiary as defined in Regulation 16 and 24 of SEBI (LODR), Regulations, 2015. **The Company is the associate Company of Beekay Steel Industries Ltd. in terms of the provision of Section 2(26) of the Companies Act, 2013.**

**f) Web link where policy on dealing with related party transactions :**

Policy on dealing with related party transaction is displayed at the website of the Company [www.akcsteel.com](http://www.akcsteel.com)

**g) Disclosures of commodity price risks and commodity hedging activities :**

The Company is not associated with hedging activities.

**h) Accounting Treatment in preparation of financial statement :**

The Company has prepared its financial Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (IND AS) as prescribed under Section 133 of the Companies Act, 2013 and rules framed thereunder.

**i) Certification from Company Secretary :**

As required under the provisions of Schedule V of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from a Company Secretary in Practice have been received stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

**j) Disclosure of non-acceptance of recommendation of Committee:**

The Company has accepted all the recommendation by the Committees during the period under review.

**k) Risk Management:**

The Company has identified risk involved in respect to its products, quality, cost, location and finance. It has also adopted the procedures / policies to minimise the risk and the same are reviewed and revised as per the needs to minimise and control the risk.

**l) CEO / CFO certification :**

The CEO / CFO certification as required under Regulation 17(8) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto which forms part of this report.

**m) Annual Secretarial Compliance Report:**

Pursuant to the SEBI circular no.CIR/CFD/ CMD1/27/2019 dated February 8, 2019, the Company has obtained an Annual Secretarial Compliance Report from Mr.Santosh Kumar Tibrewalla Practicing Company Secretary, confirming compliance of SEBI Regulations / Circulars /Guidelines

**n) No Disqualification Certificate from Company Secretary in Practice:**

Certificate from Mr. Santosh Kumar Tibrewalla, Practicing Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI, Ministry of Corporate Affairs, or any such other Statutory Authority, as stipulated under Regulation 34 (3) of the Listing Regulations, is attached to this Report.

**o) Management Discussion and Analysis Report:**

The Management Discussion and Analysis Report as required under Regulation 34(2)(e) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is forms part of this report.

**p) Details of Material Changes affecting the financial position of the Company :**

There is no material changes made during the year that will affect the financial position of the Company except the matter of non-renewal of Lease with Visakhapatnam Post Trust (VPT) which was duly mentioned in earlier Annual Reports (2018-19 to 2020-21), The said matter has been sub-judice with the High Court of Andhra Pradesh at Amaravati. The Company has already filed two nos. of Writ Petitions one is to maintain status quo and another to prohibit the VPT to auction the plant & machinery of the Company lying in the factory. The Company has also filed interlocutory application with the Hon'ble High Court to restrain VPT to move the materials lying inside the locked factory.

**DISCLOSURE OF NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS AS DETAILED ABOVE, WITH REASONS THEREOF**

There is no non -compliance of any requirement of Corporate Governance Report of sub-paras as detailed above, thus no explanations need to be given.

**DISCLOSURE OF THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN ADOPTED**

- a. Office to Non-Executive Chairperson: There is no need to maintain separate office by Chairperson of the Company since it has already provided office to the Chairperson at the Registered Office of the Company.



- b. Your Company is also under process of updating its system for sending a half-yearly declaration of financial performance including summary of the significant events in last six months to each household of shareholders.
- c. The financial statement of your Company is continued to be with unmodified audit opinion.
- d. Separate posts of Chairperson & CEO: The Company do not have separate persons as Chairperson and CEO during the period under review.
- e. The Internal Auditors report directly to the Audit Committee.

**DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB – REGULATION (2) OF REGULATION (46)**

The Company is in compliance with the requirements of aforesaid Regulations.

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## ANNEXURE TO THE DIRECTORS' REPORT

### Compliance Certificate by Wholetime Director/CEO and Chief Financial Officer (CFO) of the Company

To,

**The Board of Directors,**  
AKC Steel Industries Ltd.,  
'Lansdowne Tower',  
2/1A, Sarat Bose Road,  
**Kolkata - 700 020.**

Dear Sirs,

In terms of applicable Regulations of SEBI (LODR), Regulations, 2015 We, Ashok Kumar Bansal, Wholetime Director / CEO and R. Jagadeeswara Rao, CFO, Certify that:

1. We have reviewed financial statements and the cash flow statements for the financial year 2021-22 and to our best of knowledge, belief and information –
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading ;
  - ii) these statement together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of knowledge, belief and information, no transaction entered into by the Company during the financial year 2021-22 are fraudulent, illegal, or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls which we are aware and we have taken and propose to take requisite steps to rectify the deficiencies, if any.
4. We have indicated to the Auditors and the Audit Committee :
  - i) significant changes in internal control during the financial year ;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements ; and
  - iii) that we have not come across any instances of significant fraud and the involvement therein of the management or an employee having significant role in the Company's internal control system over financial reporting.

We further declare that all the Board members and Senior management personnel have affirmed compliance of Code of Conduct for the year 2021-22.

Place : Kolkata  
Dated : 5<sup>th</sup> August, 2022

**For AKC Steel Industries Ltd.**

Sd/-  
Ashok Kumar Bansal  
Wholetime Director  
(DIN: 00283193)

**For AKC Steel Industries Ltd.**

Sd/-  
R Jagadeeswara Rao  
CFO

## ANNEXURE TO THE DIRECTORS' REPORT

### Declaration for Compliance with the Code of Conduct of the Company as per Regulations 26 (3) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Ashok Kumar Bansal, Wholetime Director of M/s. AKC Steel Industries Ltd. declare that as of 31<sup>st</sup> March, 2022 all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company.

Place : Kolkata  
Dated : 5<sup>th</sup> August, 2022

For AKC Steel Industries Ltd.

Sd/-  
Ashok Kumar Bansal  
Wholetime Director  
(DIN:00283193)

## ANNEXURE TO THE DIRECTORS' REPORT

### CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE AS REQUIRED UNDER REGULATION 34(3) READ WITH SCHEDULE V OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To  
**The Members of  
M/S. AKC STEEL INDUSTRIES LTD.**  
'Lansdowne Towers', 4th Floor,  
2/1A, Sarat Bose Road,  
**Kolkata – 700 020**

I have examined the Compliance of Corporate Governance of M/s. AKC Steel Industries Limited for the financial year 2021-22, as stipulated under applicable regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Listing Agreement entered into by the said Company with the Stock Exchanges.

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

In my opinion and to the best of my information and according to the explanation given to me, I certify that the Company has generally complied with the condition of Corporate Governance as stipulated under applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sd/-

5A, N.C. Dutta Sarani,  
(Formerly Civil Ghat Street)  
3rd Floor, Kolkata - 700 001  
**Phone : 2262-8200 / 40054842**  
**email : santibrewalla@rediffmail.com**  
Date: 04.08.2022

**Santosh Kumar Tibrewalla**  
Practising Company Secretary (Peer Reviewed)  
Membership No. : 3811  
Certificate of Practice No. : 3982  
PRC No. : 1346/2021  
UDIN : F003811D000742956



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF A K C STEEL INDUSTRIES LIMITED

### Report on the audit of Ind AS Financial Statements

#### Opinion

We have audited the accompanying Ind AS financial statements of A K C Steel Industries Limited ("*the Company*") which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Information Other than the Financial Statements and Auditor's Report Thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information included in the Board Report and Annexures thereto, if we conclude that there is a material misstatement of this other information; we are required to communicate the matter to those charged with governance.

#### Responsibilities of Management and those charged with governance for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India, specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 also responsible for overseeing the company's financial reporting process.

#### Auditor's Responsibilities for the Audit of Ind AS Financial Statement

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance 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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss(including Other Comprehensive Income), Statement of Changes in Equity, and Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards 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 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial control with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a) The company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 28 to the Ind AS financial statements;
  - b) The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
  - c) There is no amount required to be transferred to the Investor and Protection Fund during the year ended 31<sup>st</sup> March 2022.
  - d) (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium



- or any other sources or kind of funds) by the Company to or in any other 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 identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The Management has represented, that, to the best of its knowledge and belief, no funds 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 identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- e) No dividend has been declared or paid during the year by the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, provisions of section 197(16) is not applicable on the Company.

For **S. Jaykishan**  
Chartered Accountants  
Firm's Registration No. 309005E  
Sd/-  
**CA Harish Patwari**  
Partner  
Membership No.065738  
UDIN: 22065738AJST007587  
Dated: The 27th day of May, 2022  
Place: Kolkata

### ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under "Report on other legal and regulatory requirements" section of our report of even date)

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) In respect of its Property Plant and Equipment: The company has maintained proper records showing complete particulars including quantitative details and situation of its Property Plant and Equipment. The company has maintained proper records of Intangible Assets, life of the respective assets including the year of capitalization, cost of those assets, amortization and residual value of the respective intangible assets.
- (b) In our opinion Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification during the year.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties, included in property, plant and equipment are held in the name of Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not revalued either its property plant and equipment or intangible assets during the year under audit.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 or rules made thereunder, we have not come across any proceedings have been initiated under Section 24(1) of the Prohibition of Benami Property Transactions Act, 1988 by the Initiating Officer (IO) and/or any proceedings being pending against the company before the Initiating Officer/Adjudicating Authority/ Appellate Tribunal/ High Court/ Supreme Court during any of the preceding financial years.
- (ii) (a) In our opinion the inventories including Process and Other Scrap, Stores and spares have been physically verified by the management with reasonable frequency during the year. No material discrepancies were noticed on such verification.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, during any point of time of the year, the Company has not availed any working capital limits, from banks or financial institutions on the basis of security of current assets. Hence registration of charges is not required.

- (iii) (a) According to the information and explanation given to us and on the basis of our examination of the records on test check basis, it appears that during the year, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- (b) According to the information and explanation given to us and on the basis of our examination of the records on test check basis we have noticed that the company has not given any loan or advances in the nature of loan other than employees and hence, the question of repayment of principal or interest on loans/advances does not arise.
- (c) According to the information and explanation given to us and on the basis of our examination of the records on test check basis, since the company has not given any loan or advances in the nature of loan, the question of overdue of such loan or advances for more than ninety days does not arise.
- (d) According to the information and explanation given to us and on the basis of our examination of the records on test check basis, the company has not granted any loan or advance in the nature of loan, the question of such loans or advances fallen due during the year does not arise.
- (e) The company has not granted any loans or advances in the nature of loans, the question of repayment of such loans or advances on demand or without specifying any terms or period of repayment does not arise.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not made any loans, investments, guarantees and security on which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Therefore, reporting under this clause is not required.
- (v) According to the information and explanations given to us and on the basis of our examination of the records on test check basis, the company have not accepted any deposits from public within the meaning of Sections 73 to 76 of the Companies Act 2013.
- (vi) As explained to us, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Therefore, reporting under this clause does not arise.
- (vii) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth tax, Service tax, Duty of Customs, duty of Excise, Value Added Tax, GST, Cess and other statutory dues with the appropriate authorities to the extent applicable to it. There are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, value added tax, duty of customs, duty of excise or cess which have remained outstanding as at March 31, 2022 for a period of more than 6 months from the date they became payable.
- (b) According to the information and explanations given to us, there are statutory dues referred in subclause (a) which have not been deposited on account of any dispute, as per details given below:

Statute	Nature of Due	Period to which the amount relates	Forum where the dispute is pending	Amount (Rs.)
The Central Sales Tax Act, 1956	Sales tax	2010-11	Sales Tax Appellate Tribunal, Hyderabad	1,30,713
The Central Sales Tax Act, 1956	Sales tax	01/2009 to 03/2011	Deputy Commissioner (CT) Appellate, Visakhapatnam	14,29,207
The Central Sales Tax Act, 1956	Sales tax	2015-16	Commercial Tax Department, Integrated Check Post, BV Palem, Thada	94,458

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.
- (b) In our opinion and according to the information and explanations given to us, the company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the loans were applied for the purpose for which the loans were obtained.
- (d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilised for long term purposes.
- (e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

- (f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) According to the information and explanation provided to us and on the basis of examination of the records of the company, the company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year under audit. Hence, reporting under this clause is not required.
- (b) According to the information and explanation provided to us and on the basis of examination of the records of the company it appears that the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and as such the requirements of section 42 and section 62 of the Companies Act, 2013 are not applicable to the company, so reporting under this clause is not required.
- (xi) (a) According to the information and explanations given to us and on the basis of checking of the records of the company on test check basis, no fraud by the company or on the company by its officers has been noticed or reported during the course of audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit & Auditors) Rules, 2014 with the Central Government in respect of the company.
- (c) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us we did not receive any whistle-blower complaint during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3 (xii) of the Order is not applicable to the company.
- (xiii) As per the information and explanations received to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable, and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards. Identification of related parties were made and provided by the management of the company.
- (xiv) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business. We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) According to information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him and hence, reporting under this clause does not arise.
- (xvi) (a) According to the information and explanations given to us and on the basis of review on overall basis, the company is not engaged in financing activity and hence not required to be registered under Sec 45-IA of The Reserve Bank of India, 1934.
- (b) As mentioned in (a) above, accordingly also reporting under clause 3 (xvi)(b) is not applicable.
- (c) Further the company is not a Core Investment company as defined in the regulations made by the Reserve bank of India. Accordingly reporting under this clause is not applicable.
- (d) According to the information and explanations given to us the group has no CIC as part of the Group.
- (xvii) The company has not incurred cash loss in current financial year as well in immediately preceding financial year.
- (xviii) There was no resignation of the Statutory Auditors of the company during the year. Hence, reporting under this clause is not required.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.
- (xx) According to the information and explanations given to us, the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility are not applicable. Therefore, reporting under this clause is not required.
- (xxi) The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, reporting under this clause does not arise.

**For S. Jaykishan**

Chartered Accountants  
Firm's Registration No. 309005E  
Sd/-

**CA Harish Patwari**

Membership No. 065738  
UDIN: 22065738AJST007587  
Dated: The 27th day of May, 2022  
Place: Kolkata

## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **A K C Steel Industries Limited** of even date)

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

#### **Opinion**

We have audited the internal financial controls with reference to standalone financial statements of **A K C Steel Industries Limited** (“the Company”) as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

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

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

#### **Auditor’s Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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

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.

For **S. Jaykishan**

Chartered Accountants

Firm’s Registration No. 309005E

Sd/-

**CA Harish Patwari**

Partner

Membership No. 065738

UDIN: 22065738AJST007587

## BALANCE SHEET AS AT 31ST MARCH 2022

(Rs. in Lacs)

S.N	PARTICULARS	Note No.	31 March 2022	31 March 2021
<b>I.</b>	<b>ASSETS</b>			
	<b>1) NON-CURRENT ASSETS</b>			
	(a) Property, plant and equipment	4	856.72	902.85
	(b) Other Non Current Assets	5	9.29	35.64
			<b>866.01</b>	<b>938.49</b>
	<b>2) CURRENT ASSETS</b>			
	(a) Inventories	6	48.78	46.39
	(b) Financial assets			
	(i) Investments	7	356.70	-
	(ii) Trade receivables	8	95.50	107.49
	(iii) Cash and cash equivalents	9	19.81	53.57
	(iv) Loans	10	-	125.00
	(v) Other financial assets	11	182.55	26.62
	(c) Other current assets	12	73.98	80.94
			<b>777.33</b>	<b>440.01</b>
	<b>TOTAL ASSETS</b>		<b>1,643.34</b>	<b>1,378.51</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity share capital	13	415.00	415.00
	(b) Other equity	14	1,137.87	775.93
	Interbranch		-	-
			<b>1,552.87</b>	<b>1,190.93</b>
	<b>Liabilities</b>			
	<b>1) NON-CURRENT LIABILITIES</b>			
	(a) Financial liabilities			
	(i) Borrowings	15	-	50.00
	(b) Deferred tax liabilities (net)	16	13.01	12.21
			<b>13.01</b>	<b>62.20</b>
	<b>2) CURRENT LIABILITIES</b>			
	(a) Financial liabilities			
	(i) Trade payables	17		
	Total outstanding dues of Micro enterprises and small enterprises		-	-
	Total outstanding dues of Creditors other than Micro enterprises & small enterprises		45.80	46.47
	(ii) Other financial liabilities	18	11.62	58.30
	(b) Other Current Liabilities	19	13.04	14.39
	(c) Provisions	20	7.00	6.20
			<b>77.46</b>	<b>125.36</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,643.34</b>	<b>1,378.51</b>
	<b>Significant Accounting Policies</b>	3		
	The accompanying notes form an integral part of these financial statements			

In terms of our report of even date attached  
For S.Jaykishan

Chartered Accountants  
FRN. 309005E

Sd/-  
Harish Patwari

Partner  
Membership No.:065738

Dated: 27th May, 2022

Place: Kolkata

UDIN : 22065738 AJST007587

For & on behalf of the Board of Directors  
For AKC Steel Industries Ltd.

Sd/-

R. Jagadeeswara Rao  
CFO

Sd/-

Ashok Kumar Bansal  
Whole Time Director

(Din: 00283193)

Sd/-

Manav Bansal

Director

(Din: 00103024)

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022**  
(Rs. in Lacs)

S.N	PARTICULARS	Note No.	31 March 2022	31 March 2021
	<b>INCOME:</b>			
I	Revenue From Operations	21	663.05	576.88
II	Other Income	22	133.61	104.16
III	<b>Total Income (I + II)</b>		<b>796.66</b>	<b>681.04</b>
IV	<b>EXPENSES:</b>			
	Purchases of Stock in trade/ Process Scrap - Metal Swarf		0.53	3.19
	Changes in inventories of Process Scrap - Metal Swarf and Trading Goods	23	0.29	(3.24)
	Employee benefits expense	24	52.13	37.08
	Finance costs	25	5.71	15.61
	Depreciation and amortisation expense	4	53.93	63.06
	Other expenses	26	185.70	146.53
	<b>Total expenses (IV)</b>		<b>298.29</b>	<b>262.23</b>
V	<b>Profit/(loss) before exceptional items and tax (III-IV)</b>		<b>498.37</b>	<b>418.81</b>
VI	<b>Exceptional Items</b>		-	-
VII	<b>Profit/(loss) before tax (V-VI)</b>		<b>498.37</b>	<b>418.81</b>
VIII	<b>Tax expenses</b>			
	Current Tax		102.87	70.35
	Tax expense relating to earlier years		-	(1.46)
	MAT Credit (Entitlement)/ Availed		33.11	47.61
	Deferred Tax		0.70	(1.61)
IX	<b>Profit/(loss) for the period (V-VIII)</b>		<b>361.69</b>	<b>303.92</b>
X	<b>OTHER COMPREHENSIVE INCOME</b>			
	A. (i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of defined benefit liability/(asset)		0.35	0.14
	(ii) Income taxes on items that will not be reclassified to profit or loss		(0.10)	(0.04)
	B. (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income taxes on items that will be reclassified to profit or loss		-	-
	<b>Total Other Comprehensive Income for the period</b>		<b>0.25</b>	<b>0.10</b>
XI	<b>Total Comprehensive Income for the period (IX+X) comprising Profit (Loss) and Other Comprehensive Income for the period</b>		<b>361.94</b>	<b>304.02</b>
XII	<b>Earnings per Equity Share (for discontinued operation)</b>			
	(1) Basic		-	-
	(2) Diluted		-	-
XIII	<b>Earnings per Equity Share (for discontinued &amp; continuing operation)</b>			
	(1) Basic		8.72	7.33
	(2) Diluted		8.72	7.33
	<b>Significant Accounting Policies</b>	3		
	The accompanying notes form an integral part of these financial statements			

In terms of our report of even date attached  
For S.Jaykishan

Chartered Accountants

FRN. 309005E

Sd/-

Harish Patwari

Partner

Membership No.:065738

Dated: 27th May, 2022

Place: Kolkata

UDIN : 22065738 AJST007587

For & on behalf of the Board of Directors  
For AKC Steel Industries Ltd.

Sd/-

R. Jagadeeswara Rao

CFO

Sd/-

Ashok Kumar Bansal

Whole Time Director

(Din: 00283193)

Sd/-

Manav Bansal

Director

(Din: 00103024)

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. in Lacs)

S.N	PARTICULARS	Year ended 31 March 2022		Year ended 31 March 2021	
		Amount	Amount	Amount	Amount
<b>A.</b>	<b>Cash flow from operating activities</b>				
	Net Profit / (Loss) before extraordinary items and tax		498.37		418.81
	<u>Adjustments for:</u>				
	Depreciation and amortisation	53.93		63.06	
	Finance costs	5.71		15.61	
	Provisions	1.15	60.79	0.18	78.85
	Operating profit / (loss) before working capital changes		<b>559.16</b>		<b>497.66</b>
	<u>Changes in working capital:</u>				
	<u>Adjustments for (increase) / decrease in operating assets:</u>				
	Inventories	(2.39)		(3.68)	
	Trade receivables	11.99		(65.17)	
	Financial and Other Assets	(148.96)		(13.11)	
	<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
	Trade payables	(0.67)		5.66	
	Financial and Other Liabilities	(48.04)		(6.22)	
			(188.07)		(82.52)
	Cash generated from operations		<b>371.09</b>		<b>415.14</b>
	Net income tax (paid) / refunds		(109.63)		(72.80)
	<b>Net cash flow from / (used in) operating activities (A)</b>		<b>261.46</b>		<b>342.34</b>
<b>B.</b>	<b>Cash flow from investing activities</b>				
	Capital expenditure on fixed assets	(7.80)		(33.52)	
	Loan given	-		(125.00)	
	Refund of Loan Given	125.00		-	
	Investment in Mutual Funds	(356.70)		-	
	<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(239.51)</b>		<b>(158.52)</b>
<b>C.</b>	<b>Cash flow from financing activities</b>				
	Repayment of Non Current borrowings	(50.00)		(120.00)	
	Finance cost	(5.71)		(15.61)	
	<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(55.71)</b>		<b>(135.61)</b>
	<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>(33.76)</b>		<b>48.21</b>
	Cash and cash equivalents at the beginning of the year		<b>53.57</b>		<b>5.36</b>
	<b>Cash and cash equivalents at the end of the year</b>		<b>19.81</b>		<b>53.57</b>

**Notes:**

- Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013.
- Figures in brackets indicate cash outflows.

In terms of our report of even date attached  
For **S.Jaykishan**

Chartered Accountants

FRN. 309005E

Sd/-

**Harish Patwari**

Partner

Membership No.:065738

Dated: 27th May, 2022

Place: Kolkata

UDIN : 22065738 AJST007587

For & on behalf of the Board of Directors  
For **AKC Steel Industries Ltd.**

Sd/-

**R. Jagadeeswara Rao**

CFO

Sd/-

**Ashok Kumar Bansal**

Whole Time Director

(Din: 00283193)

Sd/-

**Manav Bansal**

Director

(Din: 00103024)

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022**
**(Rs. in Lacs)**
**A. EQUITY SHARE CAPITAL**

<b>Balance as at 31 March 2020</b>	45.00	450.00
Changes in equity share capital during 2020-21	-	-
<b>Balance as at 31 March 2021</b>	45.00	450.00
Changes in equity share capital during 2021-22	-	-
<b>Balance as at 31 March 2022</b>	45.00	450.00

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**B. OTHER EQUITY**
**For the year ended 31 March 2021**
**(Rs. in Lacs)**

	Reserves and Surplus		Total
	Retained Earnings	Capital Reserve	
<b>Balance as at 1 April 2020</b>	465.34	6.57	471.91
Profit /(Loss) for the year	303.92	-	303.92
Other comprehensive income	0.10	-	0.10
<b>Balance as at 31 March 2021</b>	<b>769.36</b>	<b>6.57</b>	<b>775.93</b>

**For the year ended 31 March 2022**
**(Rs. in Lacs)**

	Reserves and Surplus		Total
	Retained Earnings	Capital Reserve	
<b>Balance as at 1 April 2021</b>	769.36	6.57	775.93
Profit /(Loss) for the year	361.69		361.69
Other comprehensive income	0.25		0.25
<b>Balance as at 31 March 2022</b>	<b>1,131.30</b>	<b>6.57</b>	<b>1,137.87</b>

**Significant Accounting Policies**

The accompanying notes form an integral part of these financial statements

**In terms of our report of even date attached**
**For S.Jaykishan**

Chartered Accountants

FRN. 309005E

Sd/-

**Harish Patwari**

Partner

Membership No.:065738

Dated: 27th May, 2022

Place: Kolkata

UDIN : 22065738 AJST007587

**For & on behalf of the Board of Directors**
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Whole Time Director

(Din: 00283193)

Sd/-

**Manav Bansal**

Director

(Din: 00103024)



## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

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### 1 Company Overview

AKC Steel Industries Limited ("the Company") is a listed company incorporated in India on 20th February, 1957 having its registered office at 2/1A, Sarat Bose Road, Lansdowne Towers, 4 Floor, Kolkata-700020. The Company is principally engaged in the business of trading and machining iron and steels. The Company's equity shares are listed on the Calcutta Stock Exchange since 18th October, 1973.

The financial statements for the year ended March 31, 2022 were authorised and approved for issue by the Board of Directors on May 27, 2022.

### 2 Basis of preparation

#### a) Statement of Compliance

These financial statements are prepared in accordance with the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use.

#### b) Functional and presentation currency

The financial statements are presented in Indian Rupees ('Rs') which is Company's presentation currency. The functional currency of the Company is also Indian Rupees ('Rs').

#### c) Basis of measurement

The financial statements have been prepared on historical cost convention on the accrual basis, except for the following items: (i) Certain financial assets and financial liabilities measured at fair value; (ii) Employee's defined benefit plan as per actuarial valuation. Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

#### d) Use of judgments and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

#### Critical accounting judgements and key sources of estimation uncertainty: Key assumptions-

##### (i) Useful lives of Property, plant and equipment:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

##### (ii) 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 certain valuation techniques. 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.

##### (iii) Defined benefit plans:

The cost of the defined benefit plan includes gratuity and the present value of the gratuity obligation are determined using actuarial valuations using projected unit credit method. 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.

##### (iv) Recognition and measurement of provisions and contingencies:

Provision is towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies, if any, in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for.

**e) Measurement of fair values**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**3 Significant accounting policies**

**a) Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**b) 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. Trade receivables are initially measured at transaction price. Regular way purchase and sale of financial assets are accounted for at trade date.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in three categories:

- Amortised cost
- Fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss (FVTPL) Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

**Financial assets at amortised cost**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at FVTOCI**

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets 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).

**Financial assets at FVTPL**

A financial asset which is not classified in any of the above categories are measured at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit & Loss.

**Other equity investments**

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

### **Derecognition**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

#### **ii. Financial liability**

##### **Initial recognition and measurement**

Financial liabilities are initially recognised at fair value plus any transaction cost that are attributable to the acquisition of the financial liabilities except financial liabilities at fair value through profit or loss which are initially measured at fair value.

##### **Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in following categories:

- Financial liabilities through profit or loss (FVTPL)
- Financial liabilities at amortised cost

##### **Financial liabilities through FVTPL**

A financial liability is classified as at FVTPL if it is classified as held for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

##### **Financial liabilities at amortised cost**

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in profit or loss. Interest bearing loans and borrowings are subsequently measured at amortised 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. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

##### **Derecognition**

A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

#### **iii. Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### **c) Property, Plant and Equipment**

#### **i. Recognition and measurement**

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Borrowing costs directly attributable to the acquisition or construction of those qualifying property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use, are capitalised. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

Assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and shown under 'Other current assets'. A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

#### **ii. Subsequent expenditure**

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

#### **iv. Depreciation and amortisation**

Depreciation and amortisation for the year is recognised in the Statement of Profit and Loss. Depreciation on fixed assets are provided on Written down value method over the useful lives of assets, at the rates and in the manner specified in Part C of Schedule II of the Act. Freehold land is not depreciated. Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted as appropriate.

**d) Intangible Assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Estimated useful life of the Computer Software is 5 years.

**e) Impairment**

**i. Impairment of financial instruments: financial assets**

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall. The impairment losses and reversals are recognised in Statement of Profit and Loss.

**ii. Impairment of non-financial assets**

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs. An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**f) Employee Benefits**

**i. Short-term employee benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

**ii. Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which the Company makes specified monthly contributions towards Provident Fund. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

**iii. Defined benefit plans**

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

**Amendment to Ind AS 19 - Plan Amendment, Curtailment or Settlement** The Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements requiring an entity to determine the current service costs and the net interest for the period after the remeasurement using the assumptions used for the remeasurement; and determine the net interest for the remaining period based on the remeasured net defined benefit liability or asset. The adoption of amendment to Ind AS 19 did not have any material impact on the standalone financial statements of the Company.

**g) Provisions (other than for employee benefits)**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. 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.

**h) Revenue Recognition**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured

at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

**i) Leases**

**The Company is the lessor/lessee**

The Company has entered into long term lease with the term of more than twelve months with low value leases. For these long term and low value leases, the Company recognises the lease receipts/ payments as an income/ expense in the Statement of Profit and Loss on a straight line basis over the term of lease.

**Transition**

Effective April 01, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on April 01, 2019 using the retrospective with cumulative effect method of initially applying the standard recognised at the date of initial application without any adjustment to opening balance of retained earnings. The Company did not have any material impact on the financial statements on application of the above standard.

**j) Recognition of dividend income, interest income or expense**

Dividend income is recognised in profit or loss on the date on which the Company’s right to receive payment is established. Interest income or expense is recognised using the effective interest method.

**k) Income tax**

Income tax expense comprises of current and deferred tax. Current tax and deferred tax is recognized in the statement of profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

**i. Current tax**

The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as on 31st March, 2020 which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Company’s gratuity expense is recognized under the head – “Employee Benefit Expense”.

**ii. Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

**l) Borrowing costs**

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred. Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

**m) Earnings per Share**

Basic earnings per share is 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.

**n) Inventory**

Inventories are measured at the lower of cost and net realisable value. The Process Scrap- Metal Swarf generated during the machining process are valued at Net Realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022**

(Rs. in Lacs)

**4 Property, Plant and Equipment**

Particulars	Land	Building	Plant & Machinery	Motor Vehicles	Furniture	Office Equipments	Computer	Total
<b>Cost or deemed cost (Gross carrying amount)</b>								
As on 31st March 2020	403.42	759.17	384.58	2.67	9.82	23.08	43.01	1,625.76
Additions	-	-	32.08	-	-	0.24	1.20	33.52
Disposals	-	-	-	-	-	-	-	-
<b>As on 31st March 2021</b>	<b>403.42</b>	<b>759.17</b>	<b>416.66</b>	<b>2.67</b>	<b>9.82</b>	<b>23.32</b>	<b>44.21</b>	<b>1,659.27</b>
Additions	-	-	7.80	-	-	-	-	7.80
Disposals	-	-	-	-	-	-	-	-
<b>As on 31st March 2022</b>	<b>403.42</b>	<b>759.17</b>	<b>424.46</b>	<b>2.67</b>	<b>9.82</b>	<b>23.32</b>	<b>44.21</b>	<b>1,667.07</b>
<b>Accumulated Depreciation/ Amortisation</b>								
As on 31st March 2020	-	359.98	256.03	2.41	9.48	22.50	42.96	693.36
Charge for the year	-	37.47	24.60	0.07	0.09	0.30	0.53	63.06
Adjustments on Disposal	-	-	-	-	-	-	-	-
<b>As on 31st March 2021</b>	<b>-</b>	<b>397.45</b>	<b>280.62</b>	<b>2.48</b>	<b>9.57</b>	<b>22.81</b>	<b>43.49</b>	<b>756.42</b>
Charge for the year	-	33.93	19.76	0.05	0.07	0.12	-	53.93
Adjustments on Disposal	-	-	-	-	-	-	-	-
<b>As on 31st March 2022</b>	<b>-</b>	<b>431.38</b>	<b>300.38</b>	<b>2.53</b>	<b>9.64</b>	<b>22.93</b>	<b>43.49</b>	<b>810.35</b>
<b>Carrying amounts (net)</b>								
As on 31st March 2020	403.42	399.19	128.56	0.26	0.34	0.58	0.06	932.40
As on 31st March 2021	403.42	361.72	136.04	0.19	0.25	0.51	0.72	902.85
As on 31st March 2022	403.42	327.79	124.07	0.14	0.18	0.39	0.72	856.72

S.N	PARTICULARS	31 March 2022	31 March 2021
5	<b>Non Current Tax Assets (Net)</b>		
	Advance Tax, TDS, TCS and MAT Credit	272.64	196.56
	Provision for Income Tax	(263.35)	(160.93)
		<b>9.29</b>	<b>35.64</b>
6	<b>Inventories</b> <b>(At lower of cost and net realisable value)</b>		
	Process Scrap- Metal Swarf	20.97	18.43
	Trading Goods	-	2.83
	Other Scrap	-	0.68
	Consumable Stores	27.81	24.45
		<b>48.78</b>	<b>46.39</b>
	(i) The mode of valuation of inventories has been stated in Note 3 (n)		
	(ii) Cost of inventory recognised as expense		
	Changes in inventories of Finished Goods and Trading Goods		
	Stores and Spares		
7	<b>Investments</b>		
	Investments in Mutual Fund & Bonds (At market value)	356.70	-
	HDFC Ultra Short Term Fund - Regular Growth		
	6,13,600.939 (31st March 2021-Nil) units of Rs. 10 each	75.34	-
	Kotak Balanced Advantage Fund Growth - Regular Plan		
	19,52,858.386(31st March 2021-Nil) units of Rs. 10 each	281.37	-
		<b>356.70</b>	<b>-</b>
	<b>Aggregate carrying value of quoted investments</b>	<b>356.70</b>	<b>-</b>
	<b>Aggregate market value of quoted investments</b>	<b>356.70</b>	<b>-</b>

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(Rs. in Lacs)

S.N	PARTICULARS	31 March 2022	31 March 2021
8	<b>Trade Receivables</b>		
	Unsecured, considered good	95.50	107.49
		<b>95.50</b>	<b>107.49</b>
9	<b>Cash And Cash Equivalent</b>		
	Cash in hand (As certified by the management)	1.29	1.50
	Balances with banks In current accounts	18.53	52.07
		<b>19.81</b>	<b>53.57</b>
10	<b>Loans</b>		
	Loan (Unsecured , considered good)	-	125.00
		-	<b>125.00</b>
11	<b>Other Financial Assets (Current)</b>		
	<b>To parties other than related parties</b>		
	Deposit	23.56	23.56
	Gratuity (Under group gratuity scheme with LIC)	1.28	1.28
	Advance To Staff	2.08	1.78
	Mutual Fund Redemption Proceeds	155.63	-
		<b>182.55</b>	<b>26.62</b>
12	<b>Other Current Assets</b>		
	<b>Advances other than Capital Advance</b>		
	Balances with government authorities	0.16	1.22
	Amount paid under protest	56.19	56.19
	Other Advances (Prepaid Expense, Advance to Supplier, and others)	17.64	23.44
	Interest Receivable -Electricity Deposit	-	0.10
		<b>73.98</b>	<b>80.94</b>
13	<b>Equity Share Capital</b>		
	<b>Authorised</b>		
	45,00,000 (PY 45,00,000) Equity shares of Rs. 10/- each with voting rights	450.00	450.00
	<b>Issued, Subscribed and Paid-up</b>	415.00	415.00
	41,50,000 (PY 41,50,000) Equity shares of Rs. 10/- each with voting rights	<b>415.00</b>	<b>415.00</b>

a) There has been no movement in shares during the year 2020-2021 and 2021-2022

b) Terms/Rights attached to equity shares

The Company has Equity Shares having par value of Rs. 10/- per share. Each holder of Equity Shares is entitled to one vote per share. Holders of Equity Shares are entitled to dividend, in proportion to the paid up amount, proposed by Board of Directors subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of shareholders holding more than 5% shares in the Company

(In Lacs)

	31-03-2022		31-03-2021	
	No. of Shares	%holding	No. of Shares	%holding
<b>Equity shares of Rs 10 each fully paid</b>				
Concast Steels & Alloys limited	12,00,100	28.92%	12,00,100	28.92%
Beekay Steel Industries Limited	11,60,000	27.95%	11,60,000	27.95%
Kamlesh Mercantile Credit Pvt. Ltd.	2,40,000	5.78%	2,40,000	5.78%

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022**

(Rs. in Lacs)

**(iii) Disclosure of Shareholding of Promoters**
**(a) Disclosure of shareholding of promoters as at 31 March 2022**

Particulars	As at 31st March, 2022		As at 31st March, 2021		% Change during the year
	No. of shares	% of holding	No. of shares	% of holding	
Vikas Bansal	66,750	1.61%	66,750	1.61%	-
Aruna Bansal	48,250	1.16%	48,250	1.16%	-
Mukesh Bansal	171,080	4.12%	171,080	4.12%	-
Gautam Bansal	48,350	1.17%	48,350	1.17%	-
Indu Bansal	49,200	1.19%	49,200	1.19%	-
Manav Bansal	61,550	1.48%	61,550	1.48%	-
Radice Steels And Alloys Ltd.	1,200,100	28.92%	1,200,100	28.92%	-
Suresh Bansal	184,105	4.44%	184,105	4.44%	-
Beekay Steel Industries Ltd.	1,160,000	27.95%	1,160,000	27.95%	-
Bhawani Bansal	88,769	2.14%	88,769	2.14%	-
BI Bansal (Huf)	25,100	0.60%	25,100	0.60%	-
Sarika Bansal	2,000	0.05%	2,000	0.05%	-

Particulars	As at 31st March, 2021		As at 31st March, 2020		% Change
	No. of shares	% of holding	No. of shares	% of holding	
Vikas Bansal	66,750	1.61%	66,750	1.61%	-
Aruna Bansal	48,250	1.16%	48,250	1.16%	-
Mukesh Bansal	171,080	4.12%	171,080	4.12%	-
Gautam Bansal	48,350	1.17%	48,350	1.17%	-
Indu Bansal	49,200	1.19%	49,200	1.19%	-
Manav Bansal	61,550	1.48%	61,550	1.48%	-
Radice Steels And Alloys Ltd.	1,200,100	28.92%	1,200,100	28.92%	-
Suresh Bansal	184,105	4.44%	184,105	4.44%	-
Beekay Steel Industries Ltd.	1,160,000	27.95%	1,160,000	27.95%	-
Bhawani Bansal	88,769	2.14%	88,769	2.14%	-
BI Bansal (Huf)	25,100	0.60%	25,100	0.60%	-
Sarika Bansal	2,000	0.05%	2,000	0.05%	-

**14 Other equity**

Below are the components of other equity:

	1st April 2021	Movement during the year	31st March 2022	1st April 2020	Movement during the year	31st March 2021
Retained Earnings	769.36	361.94	1,131.31	465.34	304.02	769.36
Capital Reserve	6.57	-	6.57	6.57	-	6.57
	<b>775.93</b>	<b>361.94</b>	<b>1,137.87</b>	<b>471.91</b>	<b>304.02</b>	<b>775.93</b>

**Retained Earnings:** It comprise of accumulated profit/ (loss) of the Company.

The movement of Rs. 361.94 lacs [31st March 2021: Rs. 304.02 lacs] was on account of profit/ (loss) incurred by the Company.

**Capital Reserve:** Revaluation reserve created earlier on revaluation of Property, Plant and Equipment has been transferred to Capital Reserve.



## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(Rs. in Lacs)

48

S.N	PARTICULARS	31 March 2022	31 March 2021
15	<b><u>Borrowings (Non Current)</u></b>		
	<b>Unsecured Loan</b>		
	From Bodies Corporate (unsecured)	-	50.00
		-	<b>50.00</b>

Unsecured Loan from body corporates, repayable after 3 years carrying interest at the rate of 12% p.a.

S.N	Movement in deferred tax liabilities / assets balances	31 March 2021	Recognised in Profit or Loss	Recognised in OCI	31 March 2022
16	<b><u>Deferred Tax Asset / Liabilities (net)</u></b>				
	Deferred Tax Liabilities on account of :				
	- Property, Plant & Equipment,	13.76	0.43	-	14.19
	Investment Properties & Intangible assets				
	<b>Total deferred tax liabilities</b>	13.76	0.43	-	14.19
	Deferred tax Assets				
	- Provision for employee benefits	1.55	(0.27)	(0.10)	1.18
	<b>Total deferred tax assets</b>	1.55	(0.27)	(0.10)	1.18
	Net Deferred tax (assets)/liabilities	12.21	0.70	0.10	13.01

S.N	PARTICULARS	31 March 2022	31 March 2021
17	<b><u>Trade Payables</u></b>		
	<b>Dues to Micro And Small Enterprises</b> (as per the intimation received from vendors).		
	a. Principal and interest amount remaining unpaid.	-	-
	b. Interest due thereon remaining unpaid.	-	-
	c. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day.	-	-
	d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006.	-	-
	e. Interest accrued and remaining unpaid.	-	-
	f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-
	<b>Dues to Others</b>		
	Trade Payables		
	- For Expenses	45.80	46.47
		<b>45.80</b>	<b>46.47</b>
	<b>18 <u>Other Financial Liabilities (Current)</u></b>		
	Interest Accrued and due	-	38.97
	Creditors for Stores Supplies	8.23	16.42
	Salary & Wages Payable	3.38	2.91
		<b>11.62</b>	<b>58.30</b>
	The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as on 31st March, 2022 which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Company's gratuity expense is recognized under the head – "Employee Benefit Expense"		
	<b>19 <u>Other Current Liabilities</u></b>		
	Statutory Liabilities	13.04	11.39
	Advance From Customers	-	3.00
		<b>13.04</b>	<b>14.39</b>

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022**

(Rs. in Lacs)

S.N	PARTICULARS	31 March 2022	31 March 2021
20	<b>Provisions</b>		
	<b>Provision for Employee Benefit</b>		
	Provision for Gratuity	6.17	5.56
	Provision for Leave Pay	0.83	0.64
		<b>7.00</b>	<b>6.20</b>
21	<b>Revenue from operations</b>		
	Sale of Products		
	Process Scrap- Metal Swarf	357.70	213.84
	Traded Goods	3.32	4.40
	Other Operating Revenue	302.03	358.65
		<b>663.05</b>	<b>576.88</b>
22	<b>Other Income</b>		
	Interest Income	2.18	0.48
	Other non operating income*	131.43	103.68
		<b>133.61</b>	<b>104.16</b>
	*Other non operating income include:		
	Rent Charges	107.92	102.76
	Profit on redemption of mutual fund (short term)	5.63	0.92
	Investment in Mutual Funds - Fair Value Changes	6.70	-
	Sundry Liabilities Written back	11.18	-
		<b>131.43</b>	<b>103.68</b>
23	<b>Change in Inventories of Finished Goods and Stock In Trade</b>		
	<b>Inventories at the end of the year:</b>		
	Process Scrap- Metal Swarf	20.97	18.43
	Trading goods	-	2.83
		<b>20.97</b>	<b>21.26</b>
	<b>Inventories at the beginning of the year:</b>		
	Process Scrap- Metal Swarf	18.43	11.03
	Trading goods	2.83	7.00
		<b>21.26</b>	<b>18.02</b>
	<b>Net (increase) / decrease</b>	<b>0.29</b>	<b>(3.24)</b>
24	<b>Employee Benefit Expenses</b>		
	Salaries and wages	45.05	31.86
	Contributions to provident and other funds	4.07	2.64
	Gratuity	0.98	0.79
	Staff welfare expenses	2.02	1.80
		<b>52.13</b>	<b>37.08</b>
25	<b>Finance Cost</b>		
	Interest expense on:		
	Unsecured Loan from Body Corporate	5.71	15.61
		<b>5.71</b>	<b>15.61</b>

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(Rs. in Lacs)

S.N	PARTICULARS	31 March 2022	31 March 2021
26	<b><u>Other Expenses</u></b>		
	Power and fuel	16.41	15.80
	Stores Consumption	53.47	60.57
	Rent	18.00	1.50
	Repairs and maintenance	4.72	5.75
	Insurance	0.51	0.33
	Rates & Taxes	1.49	1.38
	Director's Remuneration	3.00	3.00
	Director's Meeting Fees	1.22	1.02
	Telephone & Mobile Expenses	0.50	0.43
	Travelling & Conveyance	0.41	0.67
	Coolie & Cartage	0.29	0.67
	Printing & Stationery	1.00	0.61
	Freight & Forwarding	2.93	3.33
	Vehicle Maintenance	0.13	0.13
	Legal & Professional	21.36	12.36
	Postage & Telegram Charges	1.21	-
	Security Service Charges	5.01	5.31
	Miscellaneous Expenses	23.92	3.01
	Machining Charges	29.22	29.86
	Payment to Auditors		
	- Audit Fees	0.90	0.50
	- Other Work	-	0.30
		<b>185.70</b>	<b>146.53</b>
27	<b><u>Income and Deferred Taxes (net)</u></b>		
	<b>A. Amount recognised in profit or loss</b>		
	<b>Current tax</b>		
	Current period	102.87	70.35
	MAT Credit (Entitlement)/ Availed	33.11	47.61
	Changes in respect of current income tax of previous year	-	-1.46
		<b>A 135.98</b>	<b>116.50</b>
	<b>Deferred tax</b>		
	Attributable to-		
	1.61 Origination and reversal of temporary differences	0.70	-
		<b>B 0.70</b>	<b>-1.61</b>
	<b>Tax expense reported in the Standalone Statement of Profit and Loss [(A)+(B)]</b>	<b>136.68</b>	<b>114.89</b>

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022**

(Rs. in Lacs)

S.N	PARTICULARS	31 March 2022	31 March 2021
	<b>B. Income tax recognised in other comprehensive income</b>		
	<b>Deferred tax</b>		
	On items that will not be reclassified to profit or loss		
	- Remeasurements of defined benefit plans	(0.10)	(0.04)
	<b>Income tax expense reported in the Standalone Statement of Profit and Loss</b>	(0.10)	(0.04)
	<b>C. Reconciliation of effective tax rate for the year ended 31 March 2022</b>		
	Profit/(Loss) before tax (a)	498.37	418.81
	Income tax rate as applicable (b)	27.82%	27.82%
	Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	138.65	116.51
	<b>Permanent tax differences due to:</b>		
	Effect of expenses that are not deductible in determining taxable profit	-	-
		<b>138.65</b>	<b>116.51</b>
	<b>Tax effect of:</b>		
	Adjustments in prior year taxes		(1.46)
	Tax impact for difference in depreciation as per books and depreciation as per IT Act	(0.43)	(1.40)
	Deferred tax assets not recognized as realization is not probable		1.24
	Others		
		<b>138.22</b>	<b>114.89</b>

**28 Contingent Liabilities**

Particulars	Financial Year	Forum	Amount	Case No./ Remarks
Non Agricultural Land Tax	2007-08	Honorable High Court of Andhra Pradesh	3,41,185/-	Visakhapatnam Mandel Revenue Office has levied Rs. 3,41,185/- (previous Year Rs. 3,41,185/-) up to Financial Year 2007-08 as Non- Agricultural Land Tax on Factory Land. The Company paid Rs. 2,66,765/- (Previous Year Rs. 2,66,765/-) and filed an appeal which is pending before Hon'ble High Court of Andhra Pradesh.
Arbitration award	01.04.1983 to 01.04.1995	Honorable High Court of Andhra Pradesh	15,22,347/-	The company has received arbitration award to pay Rs. 15,22,347/- (Previous Year Rs. 15,22,347/-) being enhanced lease rent for the period from 01.04.1983 to 01.04.1995 levied by Visakhapatnam Port Trust. The company has filed an appeal before the Hon'ble High Court of Andhra Pradesh challenging the said arbitration award. If the judgement goes in favour of Visakhapatnam Port Trust, the company is liable to pay Rs. 15,22,347/- (Previous Year Rs. 15,22,347/-) along with interest @ 18% p.a.
Electricity	Sep 1991 to Feb 1992	Honorable High Court of Andhra Pradesh	25,17,925/-	EPDC OF AP LTD (APSEB), Visakhapatnam issued demand notice towards charge for short billing during the period Sep, 1991 to Feb 1992 amounted to Rs. 25,17,925/- (Previous Year Rs. 25,17,925/-). The Company has paid Rs.12,00,000/- (Previous Year Rs.12,00,000/-) and filed an appeal before the Honorable High Court of Andhra Pradesh. In the facts and circumstances of the case, the High Court categorically stated that the dispute has to be decided by the electrical inspector within a period of 8 weeks only from the date of receipt of the original order of the high court dated 17.11.2001. The copy of the order was obtained from Andhra Pradesh High Court with a request to direct the APSEB (APEPDCL) to pay the amount held by them with Interest.

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	Financial Year	Forum	Amount	Case No./ Remarks
Sales Tax	2010-11	Sales Tax Appellate Tribunal Hyderabad	1,30,713/-	While the goods are in Transit from RINL to Beekay Special Steel on A/c sales of the unit on 24.02.11, the Deputy Commercial Tax officer, Dwarka nagar circle verified the documents relating to sales and came to conclusion that materials transporting to customer with our valid documents were not proper and levied VAT 4% (Rs.1,30,713/-) and one time penalty equal to VAT amount of Rs. 130713/-. The unit has taken Rs. 1,30,713 as input credit and on penalty of Rs. 1,30,713/- the unit has gone for appeal before the Appellate Tribunal, Visakhapatnam on 24.08.2011.
Sales Tax	01/2009 to 03/2011	Appellate Deputy Commissioner (CT) Visakhapatnam	28,73,840/-	The Commercial tax Officer, Visakhapatnam issued a demand notice to the company for payment of 30,25,133/- towards input credit excess taken on sales to SEZ units and conversion job work for others. The company has paid Rs.3,78,142/- towards 12.5% tax on 30,25,133/- and appealed before ADC on 27.3.2014, The ADC in his order no. 120, dt 17.07.2014, partly remanded partly dismissed. The company has paid Rs.4,30,748/- on 29.03.2014, and Rs.6,20,317/- paid on 10.10.2014. (Total amount paid Rs.14,29,207/- UNDER PROTEST and filed for stay peption before Addl Commissioner (CT) legal HYD and the addl commissioner dismissed the stay petition vide order no.15, dt 14.09.2015. The CTO vide order no. 75209, ddt 27.7.2017 passed the effectual orders and declared ITC excess claimed as Rs. 28,73,843/-. The matter is pending with Appellate Joint Commissioner, Vijayawada. The amount of 15,426/- has been paid in the year 2020-21 via DD no. 431619/17.12.2020
Sales Tax	01/2009 to 03/2011	Appellate Deputy Commissioner (CT) Visakhapatnam	1,44,463/-	The CTO, Visakhapatnam issued a demand notice to the company towards penalty on input credit excess taken on Rs. 30,25,133/- vide CTO order no.FORM VAT 305, dt 27.11.2012, (10% penalty on Rs.30,25,133/-) Rs. 3,02,513/- The Appellate Deputy Commissioner, passed order vide order no.121, dt 14.07.2014, remanded back the appeal to Commercial Tax Officer. Accordingly as per the directives of Addl Deputy Commissioner, the CTO has the revised the excess ITC claimed from 30,25,133/- to 14,44,633/- and the applicable penalty arrived as 1,44,463/- . The Company has paid Rs.18,060/- and gone for appeals before Appellate Joint Commissioner, Vijayawada on leavy of penalty by CTO in his order no.75867, dt 07.08.2017. The Company lost the case Commissioner and filed an appeal with the tribunal, after payment of Rs. 54,175. Total payment under protest stands at Rs. Rs. 72,235.The amount of 90,288/- has been paid in the year 2020-21 via DD no. 431621/17.12.2020.
Sales Tax	04/2011 to 07/2012	Appellate Deputy Commissioner (CT) Visakhapatnam	21,08,894/-	The cross audit conducted by CTO, suryabagh circle, Visakhapatnam for the period from April 2011 to July 2012 and issue a demand notice to the company against sales to SEZ units & on conversion job work. The company has paid Rs. 10,87,719/- UNDER PROTEST upto 31.03.2015. and the disputed tax is in appeals before the appellate tribunal (CT), Visakhapatnam.The amount of 10,21,175/- has been paid in the year 2020-21 via DD no. 431620/17.12.2020.

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022**

Particulars	Financial Year	Forum	Amount	Case No./ Remarks
Sales Tax	04/2011 to 07/2012	Appellate Deputy Commissioner (CT) Visakhapatnam	2,10,890/-	Against the VAT assessment order passed by the CTO, for the year April 2011 to July 2012, penalty on ITC Excess claimed by the company, vide order dated 26.10.2016, The company has paid Rs.26,362/- on 18.01.2017, and filed an appeal before Appellate Deputy Commissioner, on 20.01.2017. The ADC has dismissed our appeals vide order no.ADC 1882, dt 25.04.2017. Again the company has paid Rs.79,100/- on 01.08.2017(Total paid 50% of the liability) and filed appeals before the Appellate Tribunal on 03.08.2017 and the appeal is pending for hearing.The amount of 1,05,428/- has been paid in the year 2020-21 via DD no. 431618/17.12.2020.
Sales Tax	2015-16	Commercial Tax Department, Integrated Check Post, BV Palem, Thada	94,458/-	While the goods are in Transit to the customers the assessing authorities of Integrated Check Post, BV Palem, Thada, Andhra Pradesh, had objected the waybill issued by the company due to some technical reasons on 25.03.2016, and passed order towards penalty and compound fee equal to tax liability. The Company has received the order on 30.03.2016 and filing an appeal before additional deputy commission (CT), Visakhapatnam in the month of May 2016.

**29 Employee Benefits**
**(Rs. in Lacs)**
**Statement of Assets and Liabilities for defined benefit obligation**

	Leave Encashment		Gratuity	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Net defined benefit asset - Gratuity Plan	-	-	-	-
Net defined benefit obligation - Gratuity Plan	0.83	(0.64)	(6.17)	(5.56)
Total employee benefit liabilities	0.83	(0.64)	(6.17)	(5.56)
Non-current	0.47	(0.21)	6.12	(0.04)
Current	0.37	(0.43)	0.05	(5.52)

**Defined contribution**

 Contribution to Defined Contribution Plan, recognized as expense for the period is as under: **31 March 2022** **31 March 2021**

Employer's Contribution to Provident and Other Funds	4.07	2.64
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**Defined benefits - Gratuity**

The Company's gratuity benefit scheme for its employees in India is a defined benefit plan (unfunded).

The Company provides for gratuity from employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of completed service.

The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as on 31st March, 2022 which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Company's gratuity expense is recognized under the head – "Employee Benefit Expense".

These defined benefit plans expose the Company to actuarial risks, such as interest rate risk, liquidity risk, salary escalation risk and regulatory risk.

**Inherent risk**

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

The following tables analyze present value of defined benefit obligations, expense recognised in statement of Profit and Loss, actuarial assumptions and other information.

### Reconciliation of the net defined benefit (asset) liability

(Rs. in Lakhs)

	Leave Encashment		Gratuity	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>(i) Reconciliation of present value of defined benefit obligation</b>				
(a) Balance at the beginning of the year	0.64	1.25	5.56	4.91
(b) Current service cost	0.25	0.34	0.58	0.45
(c) Interest cost	0.04	0.08	0.33	0.33
(d) Actuarial (gains) / losses				
- financial assumptions	-	-	-	-
- experience adjustment	(0.11)	(1.03)	(0.35)	(0.14)
(e) Benefits paid	-	-	-	-
<b>Balance at the end of the year</b>	<b>0.83</b>	<b>0.64</b>	<b>6.17</b>	<b>5.56</b>
<b>(ii) Reconciliation of present value of plan assets</b>				
(a) Balance at the beginning of the year	-	-	-	-
(b) Interest income	-	-	-	-
(c) Remeasurements due to:				
Actual return on plan asset less interest on plan asset	-	-	-	-
(d) Contributions by the employer	-	-	-	-
(e) Benefits paid	-	-	-	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(iii) Net Asset / (Liability) recognised in the Balance Sheet</b>				
Present value of defined benefit obligation	(0.83)	(0.64)	(6.17)	(5.56)
Fair value of plan assets	-	-	-	-
<b>Net defined benefit obligations in the Balance Sheet</b>	<b>(0.83)</b>	<b>(0.64)</b>	<b>(6.17)</b>	<b>(5.56)</b>
<b>(iv) Expense recognised in Statement of Profit and Loss</b>				
Current service cost	0.25	0.34	0.58	0.45
Interest cost	0.04	0.08	0.38	0.33
Expected return on plan assets	-	-	-	-
Immediate recognition of (gain)/ loss on other long term employee benefits	(0.11)	(1.03)	-	-
<b>Amount charged to Statement of Profit &amp; Loss</b>	<b>0.19</b>	<b>(0.61)</b>	<b>0.96</b>	<b>0.79</b>
<b>(v) Remeasurements recognised in other comprehensive income</b>				
Actuarial loss (gain) arising on defined benefit obligation from				
- financial assumptions	-	-	-	-
- experience adjustment	(0.11)	(1.03)	(0.35)	(0.14)
Immediate recognition of (gain)/ loss on other long term employee benefits	0.11	1.03	-	-
<b>Amount recognised in other comprehensive income</b>	<b>0.00</b>	<b>0.00</b>	<b>(0.35)</b>	<b>(0.14)</b>
<b>(vi) Maturity profile of defined benefit obligation</b>				
Within the next 12 months	-	-	-	0.58
Between 1 and 5 years	0.48	0.35	0.61	0.67
Between 5 and 10 years	1.34	1.39	7.49	7.34
More than 10 years	5.70	2.33	29.09	12.51

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022**

(Rs. in Lakhs)

<b>(vii) Sensitivity analysis</b>				
Defined benefit obligation on discount rate plus 100 basis points	(0.05)	(0.04)	(0.50)	(0.47)
Defined benefit obligation on salary growth rate plus 100 basis points	0.05	0.05	0.57	0.54
Defined benefit obligation on discount rate minus 100 basis points	0.05	0.05	0.57	0.54
Defined benefit obligation on salary growth rate minus 100 basis points	(0.05)	(0.04)	(0.52)	(0.49)
<b>(viii) Actuarial assumptions</b>				
Discount rate	-	6.80%	7.20%	6.80%
Expected rate of salary increase	7.20%	5.00%	5.00%	5.00%
Retirement age (years)	-	58	-	58
Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2006-08).				

(ix) **Weighted average duration of defined benefit obligation**                      10 Years                      10 Years                      10 Years                      10 Years

**30 Earnings Per Share:**
**Basic earnings per share**

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding and calculated as follows:

	<b>For the year ended 31 March 2022</b>	<b>For the year ended 31 March 2021</b>
<b>Profit attributable to ordinary shareholders (basic and diluted)</b>		
Profit after Tax attributable to Equity Shareholders (Rs. in Lakhs)	361.94	304.02
<b>Weighted average number of ordinary shares (basic and diluted)</b>		
Weighted average number of ordinary shares (Rs. in Lakhs)	41.50	41.50
<b>Earnings/(Loss) per share</b>		
Basic EPS of Rs. 10 each (in Rs.)	8.72	7.33
Diluted EPS of Rs. 10 each (in Rs.)	8.72	7.33

**31 Related Party Disclosures**

(A) Enterprise under common control with whom transactions have taken place during the year  
 Beekay Steel Industries Ltd  
 B P Spring & Engg Co (P) Ltd

**(B) Key Managerial Personnel and their relatives**

Ashok Kumar Bansal  
 Manav Bansal  
 Mukesh Chand Bansal- Non-Executive Director (Promoter)



## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

The following transactions were carried out with related parties in the ordinary course of business:

(Rs. in Lakhs)

Nature of Transactions	Transaction for the year ended		Balance at the year ended	
	31-03-22	31-03-21	31-03-22	31-03-21
<b>(A) Enterprise under common control</b>				
Sundry Debtors- Beekay Steel Industries Ltd	-	-	61.64	85.01
<u>Current Liabilities</u>				
Creditors -Beekay Steel Industries Ltd	-	-	-	11.86
Sales (Goods) - Beekay Steel Industries Ltd	14.40	11.34	-	-
Sales (Capital Goods)				
- B P Spring & Engg Co (P) Ltd	-	-	-	-
Sales (Capital Goods)				
- Beekay Steel Industries Ltd	-	-	-	-
Purchase (Goods, Service, Stores, Spares & Capital goods)				
- Beekay Steel Industries Ltd	5.55	15.62	-	-
Conversion/ Machining charges received				
- Beekay Steel Industries Ltd	183.49	197.64	-	-
Rent Received & Electricity				
- Beekay Steel Industries Ltd	124.96	124.74	-	-

### Compensation of Key Management Personnel of the Company

Key management personnel compensation comprised the following :

(Rs. Lakhs)

Nature of transaction	Year ended	Year ended
	31 March 2022	31 March 2021
Short-term employee benefits	3.00	3.00
Other long-term benefits (Refer Note below)	*	*
Total Compensation paid to key management personnel	<b>3.00</b>	<b>3.00</b>

\* As the future liability for gratuity and compensated encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable and, therefore, not included above.

All decisions relating to the remuneration of the directors are taken by the board of directors of the Company, in accordance with shareholder approval, wherever necessary.

### Terms and conditions of transactions with related parties

The purchase from related party are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

## 32 Financial instruments and related disclosures

### 32.1 Fair values vs carrying amounts

The following table shows fair values of financial assets and liabilities, including their levels in financial hierarchy, together with the carrying amounts shown in the statement of financial position. The table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(In Rs. Lacs)

	As at 31st March 2022			As at 31st March 2021	
	Note No.	Carrying amount	Fair value Level 3	Carrying amount	Fair value Level 3
<b>Financial assets:</b>					
Trade receivables	7	95.50	-	107.49	-
Cash and cash equivalents	8	19.81	-	53.57	-
Other financial assets	10	182.55	-	26.62	-
<b>Financial liabilities:</b>					
Borrowings	14	-	-	50.00	-
Trade payables	16	45.80	-	46.47	-
Other financial liabilities	17	11.62	-	58.30	-

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

### 32.2 Fair value measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The Company has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

**Level 1:** The hierarchy uses quoted (adjusted) prices in active markets for identical assets or liabilities.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The management assessed that trade receivables, cash and cash equivalent, other bank balances, trade payable and other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

### 32.3 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

#### Risk management framework

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

#### (i) Credit risk

Credit risk is the risk of financial loss of the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company receivables from customers. Credit arises when a customer or counterparty does 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/investing activities, including deposits with bank and financial guarantees. The Company has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure.

#### Trade receivable

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

#### Exposure to credit risks

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. Details of concentration percentage of revenue generated from top customer and top five customers are stated below :

Particulars	Year ended 31 March 2022		Year ended 31st March 2021	
	%	Amount (Rs. in Lakhs)	%	Amount (Rs. in Lakhs)
Revenue from top customer	29.85%	197.89	36.23%	208.98
Revenue from top five customers	82.41%	546.41	93.01%	536.53

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk.

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

### (ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

#### Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(Rs. in Lakhs)				
31 March 2022	Less than 1 year	1-5 years	> 5 years	Total
Borrowings	-	-	-	-
Trade payables	22.96	22.96	22.96	22.96
Other financial liabilities	11.62	-	-	11.62
<b>31 March 2021</b>				
Borrowings	-	50.00	-	50.00
Trade payables	24.76	24.76	24.76	24.76
Other financial liabilities	58.30	-	-	58.30

### (iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, receivables, payables and borrowings.

#### (a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates related primarily to the Company's short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

#### Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments at the end of the reporting period are as follows:

(Rs. in Lakhs)		
Particulars	31 March 2022	31 March 2021
<b>Fixed rate instruments</b>		
Financial assets	-	125.00
Financial liabilities	-	50.00
<b>Variable rate instruments</b>		
Financial assets	356.70	-
Financial liabilities	-	-

#### Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

#### Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below.

### (b) Equity price risk

The Company is not exposed to equity risks arising from equity investments. The Company have not made any equity investments.

### (c) Currency risk

The Company does not have currency risks since it is not exposed to any foreign currency transaction.

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

### 33 Capital management

The Company's management objective are :

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products commensurately with the level of risk.

The Company monitors capital on the basis of carrying amount of equity including retained earnings as presented on the face of Balance Sheet. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. There is no change in the overall capital risk management strategy as compared to the last year.

The Company monitors capital using debt-equity ratio, which is total debt less investments divided by total equity. Refer Note 38 (xii).

Particulars		31 March 2022	31 March 2021
Total debt (Bank and other borrowings)	A	-	50.00
Equity	B	1,552.87	1,190.93
Liquid investments including bank deposits	C	19.81	53.57
<b>Debt to Equity (A / B)</b>		-	0.04
<b>Debt to Equity (net) [(A-C) / B]</b>		(0.01)	(0.00)

34 Certain balances of Financial/ non financial assets and liabilities, Trade Receivables, Trade Payables are subject to confirmation.

35 The earstwhile factory of the company at Malkapuram post, Vishakapatnam – 530011, in the State of Andhra Pradesh, was on leasehold plot of land obtained from Vishakapatnam Port Trust (VPT). The said plot was obtained on two leases which expired on 10/12/2007. The lease was not renewed by VPT and the possession was taken by the said Port Trust, including the company's assets viz. Plant & machinery, equipment, furniture, which were lying in the factory premises on the date the Port Trust took possession. The company has filed a writ petition in the High Court of Andhra Pradesh at Amravati which is pending conclusion by the Hon'ble Court, in order to obtain the possession of its various assets lying at the earstwhile factory premises. As per the said writ petition the value of the said Assets have been claimed to be atleast Rs. 15 Crores.

36 a) Ageing for trade payables outstanding as on 31st March, 2022 is as follows- (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment*					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	22.96	-	0.00	22.84	45.80
(i) Disputed Dues-MSME	-	-	-	-	-	-
(i) Disputed Dues-MSME	-	-	-	-	-	-

b) Ageing for trade payables outstanding as on 31st March, 2021 is as follows- (Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment*					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
ii) Others	-	24.76	0.44	0.64	20.63	46.47
(i) Disputed Dues-MSME	-	-	-	-	-	-
(i) Disputed Dues-MSME	-	-	-	-	-	-

\* Transaction date has been taken as due date of payment.

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

- 37 a) Ageing for trade receivables outstanding as on 31st March, 2022 is as follows- (Rs. in Lakhs)

Particulars	Unbilled Revenue	Outstanding for following periods from due date of payment*					
		Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade Receivables- considered good	-	-	95.50	-	-	-	-

- b) Ageing for trade receivables outstanding as on 31st March, 2021 is as follows-

Particulars	Unbilled Revenue	Outstanding for following periods from due date of payment*					
		Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade Receivables- considered good	-	-	91.76	-	-	-	15.73

\* Transaction date has been taken as due date of payment.

### 38 Additional Regulatory Information required by Schedule III

(i) **Borrowing secured against current assets**

The Company has borrowings in the form of term loans, overdraft and extended credit towards the working capital. The same has been secured by creating a charge on the constructed properties and future receivables (refer note no- 15). There are no other financial covenants applicable to such loans.

(ii) **Wilful defaulter**

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) **Relationship with struck off companies**

The Company has not entered into any transactions with the companies struck off under the Companies Act, 2013 or the Companies Act, 1956.

(iv) **Compliance with number of layers of companies**

There is no non-compliance with regard to the number of layers of companies prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(v) **Compliance with approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) **Utilisation of borrowed funds and share premium**

The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entity (Intermediary) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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:

- directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(vii) **Undisclosed income**

The company has not surrendered or disclosed any income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) **Corporate Social Responsibility**

The Company is not covered under section 135 of the companies Act 2013 and rules made thereunder.

(ix) **Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

### (x) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment, intangible asset and investment property during the current year and previous year

### (xi) Benami Property

No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

### (xii) Financial Ratios

Ratio	Numerator (a)	Denominator (b)	Current Year	Previous Year	Variance %
(a) Current Ratio (in times) #	Current assets	Current liabilities	10.04	3.51	185.91%
(b) Debt-Equity ratio (in times) ^	Debt (Long Term + Short Term)	Equity	-	0.04	-100.00%
(c) Debt service coverage ratio (in times) ^	Earning for debt service (i.e Net Profit after taxes + Non-cash operating expenses + Interest + other adjustment)	Debt service (i.e interest + Lease payments + principal repayment)	5.20	2.06	153.01%
(d) Return on Equity Ratio	(Net Profit after taxes- Preference Dividend (if any))*100	Equity	23.29%	25.52%	-8.73%
(e) Inventory turnover ratio (in times)	Revenue from operations	Average Inventory	13.93	12.95	7.61%
(f) Trade receivables turnover ratio (in times)	Net credit sales	Average accounts receivables	6.53	7.70	-15.17%
(g) Trade payables turnover ratio (in times)	Net credit purchases	Average accounts payable	2.88	2.47	16.36%
(h) Net capital turnover ratio (in times)##	Revenue from operations	Average working capital*	1.31	3.09	-57.67%
(i) Net profit ratio (in %)	Profit for the year	Revenue from operations	54.55%	52.68%	3.54%
(j) Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Networth	32.46%	26.20%	23.91%
(k) Return on Investments (in %) ^^	Income generated from invested funds	Average invested funds	9.70	41.51	-76.64%

#### Reasons For Deviation more than 25% from previous financial year:

# There has been increase in Investments and decrease in borrowings. Also the surplus generated has been reinvested.

^ These are due to the decrease in borrowings. The company has paid off its debt.

## This is due to increase in working capital more as compared to the increase in previous financial year.

^^ This is due to increase in Investments as well as returns from investments.

**39 Other regulatory Information****(i) Title deeds of immovable properties not held in name of the company**

The title deeds of all the immovable properties are duly executed in the name of the company.

**(ii) Registration of charges or satisfaction with Registrar of Companies**

There are no charges or satisfaction which are pending to be registered with the Registrar of Companies.

**(iii) Utilisation of borrowings availed from banks and financial institutions**

The Company did not have any borrowings from Banks.

**(iii) Loans or Advances to promoters, directors, KMPs and other related parties**

The Company has not granted loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

**40** Previous year's figures have been regrouped / rearranged wherever necessary.

**In terms of our report of even date attached**

**For S.Jaykishan**

Chartered Accountants

FRN. 309005E

Sd/-

**Harish Patwari**

Partner

Membership No.:065738

Dated: 27th May, 2022

Place: Kolkata

UDIN : 22065738 AJST007587

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

**For AKC Steel Industries Ltd.**

Sd/-

Sd/-

**R. Jagadeeswara Rao**

**Ashok Kumar Bansal**

CFO

Whole Time Director

(Din: 00283193)

Sd/-

**Manav Bansal**

Director

(Din: 00103024)

## NOTES



# BOOK POST



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