



AKC STEEL INDUSTRIES LIMITED



**Annual Report
2022 - 2023**

**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.
COMPANY SECRETARY	:	Anupam Ghosh
STATUTORY AUDITORS	:	M/s. S. Jaykishan Chartered Accountants
SECRETARIAL AUDITORS	:	Mr. Santosh Kumar Tibrewalla Practising Company Secretary (Peer Reviewed)
REGISTERED OFFICE	:	'Lansdowne Towers' 2/1A, Sarat Bose Road, 4 th 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 th Floor, Kolkata - 700 001 Phone: (033) 2243-5029/5809 Fax : (033) 22484787 Email : mdpldc@cal.vsnl.net.in
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 50th (Fiftieth) Annual Report on the business and operations of your Company along with the audited accounts of the Company for the year ended 31st March, 2023:

FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	Financial Year 2022-23	Financial Year 2021-22
Revenue from Operations	516.93	663.05
Other Income	139.69	133.61
Profit for the Year before Interest, Depreciation & Tax	337.98	558.01
Interest	—	5.71
Depreciation	50.74	53.93
Profit / (Loss) Before Taxation	287.24	498.37
Provision for Tax	80.25	135.98
Income Tax adjustments	—	—
Gratuity /Leave Provisions	—	—
Provision for Tax-Deferred Tax	(17.15)	0.70
Net Profit / (Loss) for the Year	222.68	361.94
Balance of Profit for the Previous Year	1131.30	769.36
Balance available for appropriation	994.25	1131.30
Additional Depreciation	—	—
Balance carried forward to next year	994.25	1131.30

RESULTS OF OPERATIONS

Revenue from operations of the Company for FY 2022-23 stood at Rs. 516.93 Lakhs, showing a decrease of 22% compared to the revenue of Rs.663.05 Lakhs reported in the previous year. The EBIDTA has also decreased to Rs. 337.98 Lakhs, which is a decrease of 39.43% compared to the EBIDTA of Rs. 558.01 Lakhs in the previous year. Similarly, the net profit after tax during the year was Rs. 222.68 Lakhs, reflecting a decrease of 38% compared to the net profit of Rs. 361.94 Lakhs in the previous year. The decline in the Company's turnover during the current year under review can be attributed to changes in job work resulting from technological upgrades.

Your Company is focusing mainly on various machining jobs, i.e. Milling, Turning, Sawing of various products for the Engineering industries. To upgrade its process, your Company has invested in 2 nos. of CNC Machines (CNC vertical milling center Machines) to match the growing demand of its services so as to enhance its capabilities and improve machine capacity utilization.

DIVIDEND

Your Directors do not recommend any dividend for the financial year 2022-23 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, 23rd September, 2023 to Friday, 29th September, 2023 (both days inclusive) for the purpose of the Annual General Meeting.

SHARE CAPITAL

The paid up equity capital as on March 31, 2023 was Rs. 316.70 Lakhs comprising of 31,67,000 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 30th 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 31st March, 2023 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 31st March, 2023.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the period under review, the Company refrained from providing loans or guarantees but opted to invest in mutual funds and other securities, showcasing a prudent approach towards capital allocation and risk management.

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 2022-23 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 31st March, 2023, 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 2022-23 and of the profit for the year ended 31st March, 2023;
- (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 31st March, 2023, 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

In compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, prior approval of the Audit Committee is obtained for each transaction as proposed to be entered into by the Company with its related parties. A prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are at arms length basis, foreseen and repetitive in nature. The transactions which are not on arms length are simultaneously approved by Audit Committee and Board. All the related party transactions are reviewed by Audit Committee on quarterly basis. The necessary disclosures regarding the transactions are given in the notes to accounts.

There was no materially significant related party transactions with the Company's Promoters, Directors and others as defined in section 2(76) of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 which may have potential conflict of interest with the Company at large and no disclosure in Form AOC-2 is required to be given.

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 aforesaid policy. The policy on related party transactions as approved by the Board is available on the Company's website at www.akcsteel.com.

Pursuant to Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, disclosure of transactions of the Company with its Promoter Group Company, holding more than 10% (Ten percent) of Equity Shares in the Company are provided herein below: -

Name of Entity in the Promoter Group	Nature of Transaction	(Rs. in Lakhs)
Beekay Steel Industries Limited	Machining Charges Received	181.72
	Rent Received	121.26
	Purchase of Goods	20.98
	Sale of Goods	11.90
Radice Steels and Alloys Limited (Amalgamated with Transferee Company- Century Vision Pvt. Ltd.)	-	-

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. Manav Bansal (DIN: 00103024), retiring by rotation from the Board at the ensuing Annual General Meeting and being eligible, offered 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, Mrs. Sangita Roy has resigned from the post of Company Secretary & Compliance Officer w.e.f. from 01.05.2022 and Mr. Anupam Ghosh has been appointed as a Company Secretary & Compliance Officer w.e.f. 28.10.2022.

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 2021-22) as VPT has forcibly taken over and locked the Factory including the plant, machinery and other moveable assets and inventories on 13th 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.

THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made there under, the Company has established a Policy on Prevention, Prohibition, and Redressal of Sexual Harassment at the Workplace. Under this policy, an Internal Complaints Committee (ICC) has been formed to address and resolve any complaints related to sexual harassment. The coverage of this Policy extends to all employees, including permanent, contractual, temporary, and trainees, and it is designed to be gender-neutral. Notably, during the review period, there were no complaints filed that alleged incidents of sexual harassment.

PARTICULARS OF EMPLOYEES

As required 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, particulars of the employees concerned forms a part of the Directors' Report. 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. Any member interested in obtaining such particulars may write to the Company Secretary of the Company.

COMPANY'S WEBSITE

The website of your Company, 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 current Statutory Auditors, M/s. S. Jaykishan, Chartered Accountants (Registration No. 309005E), will continue to hold the office of Auditors until the conclusion of the 54th Annual General Meeting scheduled for the year 2027. The notes on the financial statements referred to in the Auditor's Report are self-explanatory and do not require any further comments or explanations. Additionally, during the year under review, the Statutory Auditors did not report any incidents of fraud to the Audit Committee of the Company.

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 2023-24. The Secretarial Audit Report for the Financial Year 2022-23 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.

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 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, 2023. The Report is self explanatory and do not call for any further comments. **The Secretarial Compliance**

Report contains adverse remark or disclaimer or observation regarding 1 (one) day penalty imposed by the Calcutta Stock Exchange (“CSE”) for 1 (one) day delay in filing of Shareholding Pattern for the quarter ended 30th September, 2022 in XBRL mode under Regulation 31 (1b) of SEBI LODR, Regulations, 2015. The said xbrl compliance was newly launched by the CSE for compliances by the listed entities.

On the above adverse remark/disclaimer / observation of the Secretarial Auditor for one day delay in complying in xbrl mode of Shareholding Pattern, the Board of Directors are hereby explaining that the Company has duly complied the said **Regulation 31 (1b) of SEBI LODR, Regulations, 2015**, within the specified time limit of 21 days from the end of the quarter 30.09.2022, on 19.10.2022 by uploading the pdf copies of the concerned data's in CSE's portal in its 'compliance uploader section' which is till now effective. The one day delay in filing in xbrl was due to technical glitches faced by the Company in CSE's newly launched xbrl portal. Necessary discussion with the CSE officials are going on to waive the one day penalty of Rs.2360/-.

The Certificate for Non-Disqualification of Directors issued by Mr. Santosh Kumar Tibrewalla, Practicing Company Secretary – Peer Reviewed (FCS 3811) for the year ended on 31st March, 2023 herewith attached as “Annexure –D”.

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, Practicing 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 2023-24.

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.

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.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The global steel industry has faced various challenges in the post-pandemic recovery phase. Factors such as persisting inflation, US monetary tightening, China's economic deceleration, and supply disruptions due to the Russia-Ukraine war have impacted the recovery momentum of the global economy. Additionally, high energy prices, rising interest rates, and falling confidence have limited the recovery of steel demand after a dip in 2022. However, there are positive signs indicating a gradual improvement in the steel industry from 2023 onwards. The re-opening of China's economy after experiencing a sharp decline in steel demand in 2022 due to COVID-19 lockdowns and a slump in the property market, Europe's resilience during the energy crisis, and preliminary easing in supply chain bottlenecks are expected to contribute to a year-on-year rise in global steel demand by approximately 2.3% in 2023. In contrast, European steel demand is expected to fall further in 2023 following an 8% decline in 2022. For the USA, there is a moderate growth forecast in steel demand in 2023, supported by relief in the infrastructure segment due to the 2021 Infrastructure Law and Inflation Reduction Act.

Turning to the Indian steel industry, it has been a bright spot for global steel demand. India experienced a growth rate of 8.2% in the year 2022, and this positive trend is expected to continue with a healthy growth rate of 7.3% in 2023 and so on, primarily driven by consumption-led demand. The Indian economy has managed inflation well and is on a healthy growth track, with significant investment in infrastructure and appropriate budget allocations by the government. Looking ahead, the outlook for the Indian steel industry remains robust. In FY2023-24, steel demand is expected to grow by 6.2% due to strong GDP growth forecasts, private consumption, and government expenditure. The capital goods sector in India is also expected to benefit from momentum in infrastructure projects and investments in renewable energy. Automotive and consumer durables sectors are projected to maintain healthy growth, driven by sustained growth in private consumption. Furthermore, integrated steel players in India are expected to continue adding capacity in FY2023-24 to meet the growing demand. Overall, the Indian steel industry appears to be on a positive trajectory with various economic factors supporting its growth and development in the coming years.

During the year your Company has added job work capacity by installing two new machines in its unit and will add one more machine which shall add revenue in the forthcoming financial years. We understand the importance of risk mitigation and the role it plays in ensuring business continuity. Our risk mitigation strategy aims to reduce the negative impact of potential threats and disasters on our operations. By proactively identifying, assessing, and managing risks, we strive to maintain stability and sustainability in our business operations. Looking ahead, we remain optimistic about the future prospects of the Indian economy and the steel sector. Our company is well-prepared to capitalize on the opportunities presented by the growing domestic demand for steel products. We will continue to prioritize efficiency, innovation, and risk management as key drivers of our growth strategy.



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:

There is no such Post Balance Sheet event to be highlighted. During the year under review, your Company has successfully completed the buyback of 9,83,000 (Nine Lakhs Eighty-Three Thousand Only) fully paid-up equity shares of Rs. 10/- each (Rupees Ten only), resulting in reducing the paid-up equity shares in the share capital 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,

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 50th 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 13th February, 2023.

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

xiii) 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'
 4th 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
(DIN: 00283193)

Sd/-

Manav Bansal
Director
(DIN: 00103024)

 Date: 11th August, 2023

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 2022-23, the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23 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 2022-23 (Rs. in lacs)	% increase in Remuneration in the financial year 2022-23	Ratio of remuneration of each Director/ to median remuneration of employees
1.	Mr. Ashok Kumar Bansal (Whole Time Director)	3.00	Nil	1.1:1
2.	Mr. R. Jagadeeswara Rao (Chief Financial Officer)	7.92	7.90	2.9:1
3.	Mr. Anupam Ghosh (Company Secretary*)	2.92	N.A.	2.5:1

* Appointed w.e.f. 28.10.2022

Note: No other Director other than the Whole time Director received any remuneration other than sitting fees during the financial year 2022-23.

- ii) The median remuneration of employees of the Company during the financial year was Rs. 2.76 Lakhs
- iii) In the financial year, there was increase of 4.54% in the median remuneration of employees;
- iv) There were 18 permanent employees on the rolls of Company as of March 31, 2023.
- v) During the financial year 2022-23, the salaries of non-managerial employees saw an average percentage increase of 3.63%. It is noteworthy that in the preceding year (2021-22), there was a higher increase of 10.78% in their salaries. In contrast, managerial personnel received a 5.61% increase in their remuneration for the financial year 2022-23, while there were no changes to managerial remuneration in the preceding fiscal year 2021-22.
- vi) It is hereby affirmed that the remuneration paid during the year ended 31st March, 2023 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, 2023 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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by 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 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 31st March, 2023, 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 31st March, 2023, **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, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (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, 2021;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; 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.

5A, N.C. Dutta Sarani,
(Formerly Civil Ghat Street)
3rd Floor, Kolkata - 700 001
Phone : 2262-8200 / 40054842
email : santibrewalla@rediffmail.com
Date: 11.08.2023

Sd/-

Santosh Kumar Tibrewalla
Practising Company Secretary (Peer Reviewed)
Membership No. : 3811
Certificate of Practice No. : 3982
PRC No. : 1346/2021
UDIN : F003811E000783766

ANNEXURE - C TO DIRECTORS' REPORT
SECRETARIAL COMPLIANCE REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023

SANTOSH KUMAR TIBREWALLA
B.Com. (Hons.) LL.B., FCS.
Practicing Company Secretary
(Peer Reviewed)

5A, N.C. Dutta Sarani,
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Phone : 2262-8200 / 40054842
email : santibrewalla@rediffmail.com

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Secretarial Compliance Report of AKC Steel Industries Limited for the year ended 31st March, 2023
[Under regulation 24A(2) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]

I, **Santosh Kumar Tibrewalla, Practicing 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, 4th Floor, Kolkata-700020** ("the Company"),
- b. the filings/ submissions made by the Company to the Stock Exchanges,
- 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 **31st March, 2023** 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.

I hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations/Remarks by PCS*
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	NA
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> ● All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities ● All the policies are in conformity with SEBI Regulations and has been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI 	Yes Yes	NA NA
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> ● The Listed entity is maintaining a functional website ● Timely dissemination of the documents/ information under a separate section on the website ● Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website 	Yes Yes Yes	NA NA NA
4.	Disqualification of Director: None of the Director(s) of the Company are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	NA	NA
5.	Details related to Subsidiaries of listed entities have been examined w.r.t: (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	NA	NA
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	NA
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	NA
8.	Related Party Transactions: (a)The listed entity has obtained prior approval of Audit Committee for all Related party transactions; or (a)The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes NA	NA NA
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	NA
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	NA
11.	Actions taken by SEBI or Stock Exchange(s), if any: No Action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein (**).	NA	NA
12.	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	NA	NA

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18thOctober, 2019:

Sr.No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
1.	Compliances with the following conditions while appointing/re-appointing an auditor		
	(i) If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or	NA	NA
	(ii) If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or	NA	NA
	(iii) If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	NA	NA
2.	Other conditions relating to resignation of statutory auditor		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee: (a) In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings. (b) In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable. (c) The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.	NA NA NA	NA NA NA
	ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.	NA	NA
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18 th October, 2019.	NA	NA

(**) The listed entity 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)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Regulation 31 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015	Regulation 31 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015	SHP to be filed within 21 days from the end of the quarter. Status: Not Complied for quarter ended 30 th September, 2022	Penalty was imposed by CSE for delayed filing for 1 day	Fine levied	The shareholding pattern was not filed in time for the quarter ended 30 th September, 2022.	Rs. 2360/-	NA	Filed with Compliance portal of CSE on 19.10.2022 and took up matter with CSE for waiver.	N.A.

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
Not Applicable										

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Phone : 2262-8200 / 40054842
email : santibrewalla@rediffmail.com
 Date: 11.05.2023

Sd/-
Santosh Kumar Tibrewalla
 Practising Company Secretary (Peer Reviewed)
 Membership No. : 3811
 Certificate of Practice No. : 3982
 PRC No. : 1346/2021
 UDIN : F003811E000289580

ANNEXURE - D TO DIRECTORS' REPORT

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

5A, N.C. Dutta Sarani
3rd Floor, Kolkata – 700 001
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e-mail : santibrewalla@rediffmail.com

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CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **AKC Steel Industries Ltd.** having **CIN: L27109WB1957PLC023360** having registered office at **Lansdowne Towers, 4th Floor, 2/1A, Sarat Bose Road, Kolkata – 700 020.** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I, hereby certify that **none** of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), or any such other Statutory Authorities.

Sl. No.	Name of Director(s)	DIN	Date of appointment in Company
1	Manav Bansal	00103024	01/06/2010
2	Mukesh Chand Bansal	00103098	08/05/1999
3	Ashok Kumar Bansal	00283193	30/01/1999
4	Bhal Chandra Khaitan	00343007	29/12/2005
5	Bharat Kumar Nadhani	01842863	12/08/2019
6	Shyanthi Dasgupta	07139909	31/03/2015

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

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 3rd Floor, Kolkata - 700 001
Phone : 2262-8200 / 40054842
email : santibrewalla@rediffmail.com
 Date: 11.08.2023

Sd/-
Santosh Kumar Tibrewalla
 Practising Company Secretary (Peer Reviewed)
 Membership No. : 3811
 Certificate of Practice No. : 3982
 PRC No. : 1346/2021
 UDIN : F003811E000783911

ANNEXURE TO THE DIRECTORS' REPORT REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The philosophy of Corporate Governance is the application of best management practices, compliance of law in true letter and spirit and adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders. It is all about promoting corporate fairness, transparency and accountability. 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 31st March, 2023

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 31st March, 2023 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.

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				
Mrs. Shyanthi Dasgupta			Independent Woman Director'	-
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 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 enable 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 23.09.2022 and Number of other Directorship and Chairmanship/ Membership of Committee of each Director in various Companies are as under:

Category	Name of Director	Position	Date of Joining the Board	No. of Board Meetings held during FY 2022-23	No. of Board Meetings attended	Attendance at the last AGM held on 27.09.2022	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 2023**	
								Chairman-ship(s)	Member-ship(s)
Executive Directors	Mr. Ashok Kumar Bansal	Wholetime Director	30.01.1999	4	2	YES	Nil	Nil	Nil
Non-Executive Directors									
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	1	1
	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
Mrs. 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 27.05.2022, 05.08.2022, 11.11.2022 and 13.02.2023. 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.

a) 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", 4th 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:

Finance	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.
Strategy & Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Global Business	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.
Leadership	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.
Procurement, Sales & Marketing	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.
Governance	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.
Administration	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 11th November, 2022, 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 its 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 are given hereunder:-

Name of Directors	Category	No. of Shares held as on 31-03-2023	% to total share Capital
Mr. Mukesh Chand Bansal	Non-Executive (Promoter Director)	100566	3.1754
Mr. Manav Bansal		61550	1.9435
Mr. Bhal Chandra Khaitan	Non-Executive (Independent Director)	Nil	NA
Mr. Bharat Kumar Nadhani			
Mrs. Shyanthi Dasgupta	Non-Executive (Independent Woman Director)		

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 in URL: <https://wedtravels.com/akc/wp-content/uploads/2023/05/familiarisation-programme-for-independent-directors.pdf>.

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 31st March, 2023. The Code is displayed on the Company's website: www.akcsteel.com in URL: <http://wedtravels.com/akc/wp-content/uploads/2023/04/code-of-conduct.pdf>

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, being URL: <https://wedtravels.com/akc/wp-content/uploads/2023/05/whistle-blower-policy.pdf>

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 31st March, 2023 on 27.05.2022, 05.08.2022, 11.11.2022 & 13.02.2023 as against the minimum requirement of four meetings.

Composition of the Audit Committee and attendance of the members at Committee meetings as on 31st March 2023 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	3	75
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 Wholetime 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 Rs. 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 in 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 5th August 2022 & 11th November, 2022.

Composition of the Nomination & Remuneration Committee and attendance of the members at Committee meetings as on 31st March 2023 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 st March, 2023					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	—	—	—	32,000	—	—	—
Mr. Bhal Chand Khaitan	—	—	—	22,000	—	—	—
Mr. Bharat Kumar Nadhani	—	—	—	22,000	—	—	—
Mrs. Shyanthi Dasgupta	—	—	—	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 31st March, 2023 on 27.05.2022, 05.08.2022, 11.11.2022 & 13.02.2023. The composition and attendance details of the Committee for the year ended 31st March, 2023 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	3
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, 4th Floor, 2/1A, Sarat Bose Road, Kolkata-700020

Phone : 033-4060 4444, Fax : 033-2283 3322, Email : contact@akcsteel.com / rksahoo@beekaygroup.co.in

Number of complaints from members received and resolved during the period under review and pending as on 31-03-2023 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	1	1	Nil
Total	1	1	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, 2023.

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 4 (four) 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 4 (four) times on 02.06.2022, 23.06.2022, 21.07.2022 & 15.12.2022 during the year under review.

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

As at 31st March, 2023, total 2803338 nos. of equity shares constitutes 88.5171% (based on Post Buyback paid up Share Capital) (previous year – 34,30,275 nos. of equity shares - 82.6572 %, i.e. Pre-Buyback paid up Share Capital) 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
2021-22	49th AGM	23-09-2022 at 1.00 P.M.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"),	No
2020-21	48 th AGM	27-09-2021 at 1.00 P.M.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"),	No
2019-20	47 th AGM	26-09-2020 at 11.30 A.M.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"),	No

a) Extraordinary General Meeting:

Extraordinary General Meeting of the Members was held during the year 2022-23 on 7th April, 2022 for approval of Buyback of Shares.

No extraordinary general meeting of the members was held during the year 2019-20 to 2021-22.

No Special Resolution was passed through Postal Ballot Meeting during the financial years 2019-20, 2020-21 & 2022-23.

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 50th Annual General Meeting. Members were also given options to cast their vote electronically through the e-voting services provided by CDSL, on all resolutions within 15 minutes after conclusion of 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.akcsteel.com through URL: https://www.beekaysteel.com/wp-content/uploads/2023/07/Audited-Financial-Results_31.03.2023_Beekay-Steel.pdf

Website: The Company's web site is www.akcsteel.com where the quarterly / annual results and other statutory & non-statutory information are displayed.

No presentation required to be made to Institutional Investors or Analysts.

GENERAL INFORMATIONS FOR MEMBERS:

a. Annual General Meeting :

(Date, Time & Venue)

Date: 29.09.2023, Friday

Time : 2.00 P.M.

Venue : Deemed to be held at Registered office

b. Date of Book Closure : 23.09.2023 to 29.09.2023 (Both days inclusive) - For AGM

c. Financial Year & Calendar : April'23- March'24

Financial Year 2022-23

Unaudited Results for the quarter ending 30th June, 2023

- In the mid of August, 2023

Unaudited Results for the quarter ending 30th Sept., 2023

- In the mid of November, 2023

Unaudited Results for the quarter ending 31st Dec., 2023

- In the mid of February, 2024

Audited Annual Accounts for 2023-24

- At the end of May, 2024

Annual General Meeting for the year Ending 31st March, 2024

- In the mid of Sept, 2024

d. Dividend payment : The Board have not recommended any Dividend on Equity Shares for the financial year ended on 31st March, 2023.

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.



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) 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 2023-24 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 - 700001.

Stock Code: 10011019

f. Market price Data

Monthly High/ Low price during the Financial Year 2022-23 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, 2022	No Trading		October, 2022	No Trading	
May, 2022	-----do-----		November, 2022	-----do-----	
June, 2022	-----do-----		December, 2022	-----do-----	
July, 2022	-----do-----		January, 2023	-----do-----	
August, 2022	-----do-----		February, 2023	-----do-----	
September, 2022	-----do-----		March, 2023	-----do-----	

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

g. 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.

- h. Registrar and Share Transfer Agent:** M/s. Maheshwari Datamatics Pvt. Ltd.
23, R.N Mukherjee Road, 5th 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

i. 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.

j. Distribution of Share as on 31st March, 2023.

Share Limit Notional Value of (Rs.)		No of Live Accounts	Percentage	Total No. of Shares	Percentage of Total Shares
From	To				
1	5000	2280	94.4882	334269	10.5548
5001	10000	87	3.6055	63675	2.0106
10001	20000	31	1.2847	44409	1.4022
20001	30000	2	0.0829	4900	0.1547
30001	40000	2	0.0829	7400	0.2337
40001	50000	Nil	N.A.	Nil	N.A.
50001	100000	1	0.0414	6626	0.2092
100001	Above	10	0.4144	2705721	85.4348
Grand Total		2413	100.0000	3167000	100.0000

k. Share Holding Pattern as on 31st March, 2023:

Category	No. of Shares	Percentage of Holding
Promoters & Associates	2191582	69.2006
Mutual Funds & UTI	—	—
Banks, Financial Institutions, Insurance Companies (Central/ State Govt, Institutions, Govt. Institutions)	100	0.0032
FIs	—	—
Private Bodies Corporates	344101	10.8852
Investor Education & Protection Fund Authority (IEPF)	179674	5.6733
Indian Public	450443	14.2230
Trust	700	0.0221
NRIs/OCBs	400	0.0126
Total	3167000	100.00

Note: During the financial year 2022-23, 983,000 equity shares has been Buyback by the Company, hence the paid up capital has been reduced from 4150000 equity shares to 3167000 equity shares.

- l. Dematerialization of Shares:** 28,03,338 nos. of equity shares constitutes 88.52 % (previous year – 34,30,275 - 82.66 %) 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 31-03-2023.

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**.

- m. 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.

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

- o. Address for Correspondence:**

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

- p. Compliance Officer:**

Anupam Ghosh
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
- 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 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 2021-22). 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.

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 2022-23 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 2022-23 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 2022-23.

For AKC Steel Industries Ltd.

Sd/-

Ashok Kumar Bansal
Wholetime Director
(DIN: 00283193)

For AKC Steel Industries Ltd.

Sd/-

R Jagadeeswara Rao
CFO

Place : Kolkata
Dated : 11th August, 2023



AKC Steel Industries Limited

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 31st March, 2023 all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company.

For AKC Steel Industries Ltd.

Sd/-

Ashok Kumar Bansal

Wholetime Director

(DIN:00283193)

Place : Kolkata

Dated : 11th August, 2023

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 – 700020

I have examined the Compliance of Corporate Governance of M/s. AKC Steel Industries Limited for the financial year 2022-23, 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: 11th August, 2023

Santosh Kumar Tibrewalla

Practising Company Secretary (Peer Reviewed)

Membership No. : 3811

Certificate of Practice No. : 3982

PRC No. : 1346/2021

UDIN : F003811E000783832

**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, 2023, 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, 2023, 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.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter

How our audit addressed the key audit matter

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

Key Audit Matter	How our audit addressed the key audit matter
<p>Timing of Revenue recognition in the proper period as per IND AS 115 Refer to Note-3 (Significant Accounting Policies) and Note-20 (Revenue from operations) of the Ind AS financial statements. The Company's revenue is principally derived from the business of trading and machining iron and steels. In accordance with IND AS 115, Revenue from Contracts with Customers, revenue from sale of goods is recognised when control of the products being sold is transferred to the customer based on terms of sale. Revenue is measured at consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The Company recognizes revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes/GST and duties when the products are delivered to customers, which is when significant risks and rewards of ownership pass to the customer. We identified timing of revenue recognition in the proper period as a key audit matter since it involves higher assessed risk of material misstatement and is required to be recognised as per the requirements of applicable accounting framework.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We evaluated the design and tested operating effectiveness of the relevant controls with respect to revenue recognition including those relating to cut off at year end; • We assessed the appropriateness of the revenue recognition accounting policies in line with IND AS 115 "Revenue from Contracts with Customers"; • We performed substantive testing of revenue transactions, recorded during the year by testing the underlying documents which included sales invoices, goods dispatch notes, shipping documents and customer acknowledgments as applicable; • We tested, on a sample basis, specific revenue transactions recorded before and after the financial year end date including examination of credit notes issued after the year end to determine whether the revenue has been recognised in the appropriate financial period. Based on the above stated procedures, no significant exceptions were noted in revenue recognition

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. We have nothing to report in this regard.

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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial 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 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a) The company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 27 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 31st March 2023.
 - 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.
 - f) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- C. In our opinion and to the best of our information and according to the explanations given to us, remuneration paid to managerial personnel is within the limits of provisions of section 197.

For **S. Jaykishan**
Chartered Accountants
Firm's Registration No. 309005E
Sd/-
CA Harish Patwari
Partner
Membership No.065738
UDIN: 23065738BGWLXJ1767
Dated: 29th May, 2023
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. During the year the company has assessed impairment of its assets and has made a provision as mentioned in Note 25 and Note 4, which is less than 10% of carrying value of PPE.
- (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, 2023 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. in Lacs)
The Central Sales Tax Act, 1956	Sales tax	2010-11	Sales Tax Appellate Tribunal, Hyderabad	1.31
The Central Sales Tax Act, 1956	Sales tax	01/2009 to 03/2011	Appellate Deputy Commissioner (CT) Visakhapatnam	28.74
The Central Sales Tax Act, 1956	Sales tax	01/2009 to 03/2011	Appellate Deputy Commissioner (CT) Visakhapatnam	1.45
The Central Sales Tax Act, 1956	Sales tax	04/2011 to 07/2012	Appellate Deputy Commissioner (CT) Visakhapatnam	21.09
The Central Sales Tax Act, 1956	Sales tax	04/2011 to 07/2012	Appellate Deputy Commissioner (CT) Visakhapatnam	2.11
The Central Sales Tax Act, 1956	Sales tax	2015-16	Commercial Tax Department, Integrated Check Post, BV Palem, Thada	0.95

- (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.



AKC Steel Industries Limited

- (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
Partner
Membership No.065738
UDIN: 23065738BGWLXJ1767
Dated: 29th May, 2023
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")

We have audited the internal financial controls with reference to Ind AS financial statements of **A K C Steel Industries Limited** ("the Company") as of 31st March 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of

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

Auditor's Responsibility

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

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

Opinion

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 31st March 2023, 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").

For **S. Jaykishan**
Chartered Accountants
Firm's Registration No. 309005E
Sd/-

CA Harish Patwari
Partner
Membership No.065738
UDIN: 23065738BGWLXJ1767
Dated: 29th May, 2023
Place: Kolkata



BALANCE SHEET AS AT 31ST MARCH 2023

(Rs. in Lacs)

S.N	PARTICULARS	Note No.	31 March 2023	31 March 2022
I.	ASSETS			
	1) NON-CURRENT ASSETS			
	(a) Property, plant and equipment	4	774.58	856.72
	(b) Deferred tax Assets (Net)	15	4.64	-
	(c) Other Non Current Assets	5	112.00	-
			891.22	856.72
	2) CURRENT ASSETS			
	(a) Inventories	6	34.31	48.78
	(b) Financial assets			
	(i) Investments	7	373.79	356.70
	(ii) Trade receivables	8	69.71	95.50
	(iii) Cash and cash equivalents	9	11.22	19.81
	(iv) Other financial assets	10	27.19	182.55
	(c) Current tax assets (Net)	11	8.33	9.29
	(d) Other current assets	12	62.31	73.98
			586.86	786.62
	TOTAL ASSETS		1,478.08	1,643.34
II.	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity share capital	13	316.70	415.00
	(b) Other equity	14	1,099.12	1,137.87
			1,415.82	1,552.87
	Liabilities			
	1) NON-CURRENT LIABILITIES			
	(a) Deferred tax liabilities(net)	15	-	13.01
			-	13.01
	2) CURRENT LIABILITIES			
	(a) Financial liabilities			
	(i) Trade payables	16		
	Total outstanding dues of micro enterprises and small enterprises			
	Total outstanding dues of creditors other than micro enterprises and small enterprises		28.22	45.80
	(ii) Other financial liabilities	17	19.04	11.62
	(b) Other Current Liabilities	18	10.11	13.04
	(c) Provisions	19	4.88	7.00
			62.26	77.45
	TOTAL EQUITY AND LIABILITIES		1,478.08	1,643.34
	Significant Accounting Policies	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: 29th May, 2023

Place: Kolkata

UDIN : 23065738BGWLXJ1767

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/-

Sd/-

Anupam Ghosh

Manav Bansal

Company Secretary

Director

(Din: 00103024)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023
(Rs. in Lacs)
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S.N	PARTICULARS	Note No.	31 March 2023	31 March 2022
	INCOME:			
I	Revenue From Operations	20	516.93	663.05
II	Other Income	21	139.69	133.61
III	Total Income (I + II)		656.62	796.66
	EXPENSES:			
IV	Purchases of Stock in trade/ Process Scrap		16.42	0.53
	Changes in inventories of Process Scrap and Traded Goods	22	13.83	0.29
	Employee benefits expense	23	67.85	52.13
	Finance costs	24	-	5.71
	Depreciation and amortisation expense	4	50.74	53.93
	Other expenses	25	220.54	185.70
	Total expenses(IV)		369.38	298.29
V	Profit/(loss) before exceptional items and tax (III-IV)		287.24	498.37
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		287.24	498.37
VIII	Tax expenses			
	Current Tax		78.19	102.87
	Tax expense relating to earlier years		2.06	-
	MAT Credit (Entitlement)/ Availed		-	33.11
	Deferred Tax		(17.15)	0.70
IX	Profit(loss) for the period(V-VIII)		224.14	361.69
X	OTHER COMPREHENSIVE INCOME			
	A. (i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of defined benefit liability/ (asset)		(1.95)	0.35
	(ii) Income taxes on items that will not be reclassified to profit or loss		(0.49)	(0.10)
	B. (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income taxes on items that will be reclassified to profit or loss		-	-
	Total Other Comprehensive Income for the period		(1.46)	0.25
XI	Total Comprehensive Income for the period(IX+X) comprising Profit(Loss) and Other Comprehensive Income for the period		222.68	361.94
XII	Earnings per Equity Share (for discontinued operations):			
	(1) Basic		-	-
	(2) Diluted		-	-
XIII	Earnings per Equity Share (for discontinued & continuing operation)			
	(1) Basic		6.51	8.72
	(2) Diluted		6.51	8.72
	Significant Accounting Policies	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: 29th May, 2023

Place: Kolkata

UDIN : 23065738BGWLXJ1767

**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/-

Sd/-

Anupam Ghosh
Manav Bansal

Company Secretary

Director

(Din: 00103024)



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

(Rs. in Lacs)

S.N	PARTICULARS	Year ended 31 March 2023		Year ended 31 March 2022	
		Amount	Amount	Amount	Amount
A	Cash flow from operating activities				
	Net Profit / (Loss) before extraordinary items and tax		287.24		498.37
	<u>Adjustments for:</u>				
	Depreciation and amortisation	50.74		53.93	
	Impairment of FA	37.38			
	Gain on Sale of FA	(2.97)			
	Profit on redemption of mutual fund (short term)	(1.33)			
	Investment in Mutual Funds - Fair Value Changes	(12.09)			
	Finance costs	-		5.71	
	Provisions	(4.07)	67.66	1.15	60.79
	Operating profit / (loss) before working capital changes		354.90		559.16
	<u>Changes in working capital:</u>				
	<u>Adjustments for (increase) / decrease in operating assets:</u>				
	Inventories	14.47		(2.39)	
	Trade receivables	25.78		11.99	
	Financial and Other Assets	167.03		(148.96)	
	<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
	Trade payables	(17.58)		(0.67)	
	Financial and Other Liabilities	4.49	194.19	(48.04)	(188.07)
	Cash generated from operations		549.10		371.09
	Net income tax (paid) / refunds		(79.28)		(109.63)
	Net cash flow from / (used in) operating activities (A)		469.82		261.46
B	Cash flow from investing activities				
	Additions to fixed assets	(7.31)		(7.80)	
	Sale of Fixed Assets	4.30			
	Capital Advances	(112.00)			
	Refund of Loan Given	-		125.00	
	Sale of Mutual Funds	251.33			
	Investment in Mutual Funds	(255.00)		(356.70)	
	Net cash flow from / (used in) investing activities (B)		(118.68)		(239.51)
C	Cash flow from financing activities				
	Repayment of Non Current borrowings	-		(50.00)	
	Buy Back Expenses	(313.93)			
	Tax on Buy Back	(45.80)			
	Finance cost	-		(5.71)	
	Net cash flow from / (used in) financing activities (C)		(359.73)		(55.71)
	Net increase/(decrease) in Cash and cash equivalents (A+B+C)		(8.59)		(33.76)
	Cash and cash equivalents at the beginning of the year		19.81		53.57
	Cash and cash equivalents at the end of the year		11.22		19.81

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: 29th May, 2023

Place: Kolkata

UDIN : 23065738BGWLXJ1767

For & on behalf of the Board of Directors

For AKC Steel Industries Ltd.

Sd/-

R. Jagadeeswara Rao

CFO

Sd/-

Anupam Ghosh

Company Secretary

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 2023

(Rs. in Lacs)

A. EQUITY SHARE CAPITAL

PARTICULARS	Numbers	Amount
Balance as at 31 March 2021	41.50	415.00
Changes in equity share capital during 2021-22	-	-
Balance as at 31 March 2022	41.50	415.00
Changes in equity share capital during 2022-23	(9.83)	(98.30)
Balance as at 31 March 2023	31.67	316.70

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B. OTHER EQUITY

For the year ended 31 March 2022

(Rs. in Lacs)

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

For the year ended 31 March 2023

(Rs. in Lacs)

	Capital Redemption	Reserves and Surplus		Total
	Reserve	Retained Earnings	Capital Reserve	
Balance as at 1 April 2022	-	1,131.30	6.57	1,137.87
Profit /(Loss) for the year	-	224.14	-	224.14
Other comprehensive income	-	(1.46)	-	(1.46)
Premium on Buyback of Equity Shares	-	(294.90)	-	(294.90)
Expenses for buyback of equity shares	-	(19.03)	-	(19.03)
Tax on buy back of equity shares	-	(45.80)	-	(45.80)
On buyback of Shares	98.30	-	-	98.30
Balance as at 31 March 2023	98.30	994.25	6.57	1,099.12

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: 29th May, 2023

Place: Kolkata

UDIN : 23065738BGWLXJ1767

 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/-

Sd/-

Anupam Ghosh
Manav Bansal

Company Secretary

Director

(Din: 00103024)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

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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, 4th 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 29, 2023.

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.

o) **Impact of the initial application of new and amended Ind ASs that are effective for the current year**

Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. MCA issued notifications dated 23 March, 2022 which were effective from 1 April 2022. The Company has evaluated that there are these accounting pronouncement do not have any material impact on the financial statement. Further, the MCA has also issued notification dated 31 March 2023, with respect to certain accounting pronouncements which are effective from 1 April 2023. The company is evaluating the effect of such pronouncements.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023
4 Property, Plant and Equipment

(Rs. in Lacs)

Particulars	Land	Building	Plant & Machinery	Motor Vehicles	Furniture	Office Equipments	Computer	Mobile Phones	Total
Cost or deemed cost (Gross carrying amount)									
As on 31st March 2021	403.42	759.17	416.66	2.67	9.82	23.32	44.21	-	1,659.27
Additions	-	-	7.80	-	-	-	-	-	7.80
Disposals	-	-	-	-	-	-	-	-	-
As on 31st March 2022	403.42	759.17	424.46	2.67	9.82	23.32	44.21	-	1,667.07
Additions	-	-	6.05	-	-	-	-	1.26	7.31
Disposal	-	-	5.87	-	-	-	-	-	5.87
As on 31st March 2023	403.42	759.17	424.65	2.67	9.82	23.32	44.21	1.26	1,668.52
Accumulated Impairment									
As on 31st March 2023 ^	-	28.19	9.06	-	0.13	0.01	-	-	37.38
Accumulated Depreciation/ Amortisation									
As on 31st March 2021	-	397.45	280.62	2.48	9.57	22.81	43.49	-	756.42
Charge for the year	-	33.93	19.76	0.05	0.07	0.12	-	-	53.93
Adjustments on Disposal	-	-	-	-	-	-	-	-	-
As on 31st March 2022	-	431.38	300.38	2.53	9.64	22.93	43.49	-	810.35
Charge for the year	-	28.69	21.17	0.04	0.02	0.16	0.45	0.20	50.73
Adjustments on Disposal	-	-	4.53	-	-	-	-	-	4.53
As on 31st March 2023	-	460.07	317.02	2.57	9.66	23.09	43.94	0.20	856.55
Carrying amounts (net)									
As on 31st march 2022	403.42	327.79	124.08	0.14	0.18	0.39	0.72	-	856.72
As on 31st march 2023	403.42	270.91	98.57	0.10	0.03	0.22	0.27	1.06	774.58

S.N	PARTICULARS	31 March 2023	31 March 2022
5	Non Current Assets (Net)		
	Capital Advances	112.00	-
		112.00	-
6	Inventories		
	(At lower of cost and net realisable value)		
	Process Scrap- Metal Swarf	7.14	20.97
	Consumable Stores	27.17	27.81
		34.31	48.78
	(i) The mode of valuation of inventories has been stated in Note 3 (n)		
7	Investments		
	Investments in Mutual Fund (at fair value through Profit & Loss)		
	HDFC Ultra Short Term Fund - Regular Growth 6,29,869.609 (31st March 2022 - 6,13,600.939) units of Rs. 10 each	81.39	75.34
	Kotak Balanced Advantage Fund Growth - Regular Plan 19,52,858.386(31st March 2022 - 9,52,858.386) units of Rs. 10 each	292.40	281.37
		373.79	356.70
	Aggregate carrying value of quoted investments	373.79	356.70
	Aggregate market value of quoted investments	373.79	356.70



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lacs)

S.N	PARTICULARS	31 March 2023	31 March 2022
8	Trade Receivables Unsecured, considered good*	69.71	95.50
		69.71	95.50
	<i>*Refer Note 36 for ageing on Trade receivables</i>		
9	Cash And Cash Equivalent Cash in hand (As certified by the management) Balances with banks In current accounts	1.32 9.90	1.29 18.53
		11.22	19.81
10	Other Financial Assets (Current) To parties other than related parties Deposit Gratuity (Under group gratuity scheme with LIC) Advance To Staff Mutual Fund Redemption Proceeds	24.99 - 2.20 -	23.56 1.28 2.08 155.63
		27.19	182.55
11	Other Current Assets (Net) Advance Tax, TDS, TCS, etc Provision for Income Tax	86.52 (78.19)	272.64 (263.36)
		8.33	9.28
12	Other Current Assets Advances other than Capital Advance Balances with government authorities Amount paid under protest Other Advances (Prepaid Expense, Advance to Supplier, and others) Interest Receivable -Electricity Deposit	0.02 56.19 5.96 0.14	0.16 56.19 17.64 -
		62.31	73.98
13	Equity Share Capital Authorised 45,00,000 (PY 45,00,000) Equity shares of Rs. 10/- each with voting rights Issued, Subscribed and Paid-up 31,67,000 (PY 41,50,000) Equity shares of Rs. 10/- each with voting rights	450.00 316.70	450.00 415.00
		316.70	415.00
<p>The Company has during the FY 2022-23 bought back 9,83,000 equity shares u/s 68 of the Companies Act, 2023. The Board of Directors at its meeting held on 10/02/2022 approved a proposal to buy back up to 9,83,000 equity shares of the Company for an aggregate amount not exceeding Rs. 294.90 lacs representing 23.68% of the total paid up equity share capital at Rs. 30 per equity share. The shareholders approved the same on 07/04/2022 by way of a special resolution passed at the Extraordinary General Meeting held on that date. A Letter of Offer dated 26/05/2022 was made to all eligible shareholders. The Company bought back 9,83,000 equity shares out of the shares that were tendered by the eligible shareholders and extinguished the equity shares on 29/06/2022. The Capital Redemption Reserve was created to the extent share capital extinguished Rs. 98.30 lacs. The excess cost of buy-back of Rs. 213.73 lacs (including Rs. 17.13 lacs towards expenses on buy back) over par value of shares and corresponding tax on buy back of Rs. 45.80 lacs were offset from retained earnings.</p>			

	As at 31.03.2023		As at 31.03.22	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
a) Movement in equity share capital				
Equity Shares				
Opening Balance	4,150,000	415.00	4,150,000	415.00
Less: Shares extinguished on buy-back	(983,000)	(98.30)	-	-
Closing Balance	3,167,000	316.70	4,150,000	415.00

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023
(Rs. in Lacs)
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)

	31-03-2023		31-03-2022	
	No. of Shares	%holding	No. of Shares	%holding
Equity shares of Rs 10 each fully paid				
Beekay Steel Industries Limited	11,60,000	36.63%	11,60,000	27.95%
Kamlesh Mercantile Credit Pvt. Ltd.	-	-	2,40,000	5.78%
Radice Steels and Alloys Ltd. (Formerly Concast Steels & Alloys Ltd.)	6,37,181	20.12%	12,00,100	28.92%
Suresh Chand Bansal	1,60,000	5.05%	-	-

(iii) Disclosure of Shareholding of Promoters
(a) Disclosure of shareholding of promoters as at 31 March 2023

Particulars	As at 31st March, 2023		As at 31st March, 2022		% Change during the year
	No. of shares	% of holding	No. of shares	% of holding	
Vikas Bansal	66,750	2.11%	66,750	1.61%	0.50%
Aruna Bansal	667	0.02%	48,250	1.16%	(1.14%)
Mukesh Chand Bansal	100,566	3.18%	171,080	4.12%	(0/95%)
Gautam Bansal	658	0.02%	48,350	1.17%	(1.14%)
Indu Bansal	670	0.02%	49,200	1.19%	(1.16%)
Manav Bansal	61,550	1.94%	61,550	1.48%	0.46%
Radice Steels And Alloys Ltd.	637,181	20.12%	1,200,100	28.92%	(8.80%)
Suresh Chand Bansal	160,000	5.05%	184,105	4.44%	0.62%
Beekay Steel Industries Ltd.	1,160,000	36.63%	1,160,000	27.95%	8.68%
Bhawani Bansal	1,208	0.04%	88,769	2.14%	(2.10%)
BI Bansal (Huf)	342	0.01%	25,100	0.60%	(0.59%)
Sarika Bansal	2,000	0.06%	2,000	0.05%	0.01%

Particulars	As at 31st March, 2022		As at 31st March, 2021		% 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 Chand 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 Chand 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%	-



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lacs)

S.N	PARTICULARS				
14	Other Equity				
	Below are the components of other equity:				
		1st April 2022	Movement during the year	Other Comprehensive Income	31st March 2023
	Retained Earnings	1,131.30	224.14	(1.46)	1,353.98
	Premium on Buyback of Equity Shares	-	(294.90)	-	(294.90)
	Expenses for buyback of equity shares	-	(19.03)	-	(19.03)
	Tax on buy back of equity shares	-	(45.80)	-	(45.80)
	Capital Reserve	6.57	-	-	6.57
	Capital Redemption Reserve				
	Created on buy back of shares	-	98.30	-	98.30
		1,137.87	(37.29)	(1.46)	1,099.12
		1st April 2021	Movement during the year	Other Comprehensive Income	31st March 2022
	Retained Earnings	769.36	361.69	0.25	1131.30
	Capital Reserve	6.57	-	-	6.57
		775.93	361.69	0.25	1137.87

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

The movement of Rs. 222.68 lacs [31st March 2022: Rs. 361.94 lacs] was on account of profit/(loss) (including other comprehensive income) achieved by the Company.

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

Capital Redemption Reserve: As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

		31-03-2023	31-03-2022
15	Deferred Tax Asset / Liabilities (net)		
	Deferred Tax Liabilities on account of :		
	- Property, Plant & Equipment,	2.46	14.19
	- Investment Fair Value Changes	3.04	-
	Total deferred tax liabilities	5.50	14.19
	Deferred tax Assets		
	- Provision for employee benefits	0.73	1.18
	- Provision for impairment of Fixed Assets	9.41	-
	Total deferred tax assets	10.14	1.18
	Net Deferred tax (assets)/liabilities	(4.64)	13.01
	Movement in deferred tax liabilities / assets balances	31 March 2022	Recognised in Profit or Loss
	Net Deferred Tax Asset / Liabilities		Recognised in OCI
	Deferred tax liabilities		31 March 2023
	- Property, Plant & Equipment	14.19	(11.73)
	- Investment Fair Value Changes		3.04
	Total deferred tax liabilities	14.19	(8.69)
	Deferred tax Assets		
	- Provision for employee benefits	1.18	(0.94)
	- Provision for impairment of Fixed Assets		9.41
	Total deferred tax assets	1.18	8.46
	Net Deferred tax (assets)/liabilities	13.01	(17.15)
			(0.49)
			(4.64)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lacs)

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S.N	PARTICULARS	31 March 2023	31 March 2022
16	<u>Trade Payables</u>		
	Dues to Micro And Small Enterprises (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.	-	-
	Dues to Others		
	Trade Payables*		
	- For Expenses	28.22	45.80
		28.22	45.80
17	<u>Other Financial Liabilities (Current)</u>		
	Creditors for Stores Supplies	13.12	8.23
	Salary & Wages Payable	5.92	3.38
		19.05	11.62
	<i>*Refer Note 36 for ageing on Trade payables</i>		
	The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as on 31st March, 2023 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"		
18	<u>Other Current Liabilities</u>		
	Statutory Liabilities	10.11	13.04
		10.11	13.04
19	<u>Provisions</u>		
	Provision for Employee Benefit		
	Provision for Gratuity	2.89	6.17
	Provision for Leave Pay	1.99	0.83
		4.88	7.00
20	<u>Revenue from operations</u>		
	Sale of Products		
	Process Scrap- Metal Swarf	252.14	357.70
	Traded Goods	-	3.32
	Other Operating Revenue	264.79	302.03
		516.93	663.05



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lacs)

S.N	PARTICULARS	31 March 2023	31 March 2022
21	Other Income		
	Interest Income	-	2.18
	Other non operating income*	139.69	131.43
		139.69	133.61
	*Other non operating income include:		
	Rent Charges	102.76	107.92
	Interest Recd. on Electricity Deposit	0.26	-
	Miscellaneous Income	20.28	-
	Profit on redemption of mutual fund (short term)	1.33	5.63
	Profit on Sale of Property, Plant and Equipments	2.97	-
	Investment in Mutual Funds - Fair Value Changes	12.09	6.70
	Sundry Liabilities Written back	-	11.18
		139.69	131.43
22	Change in Inventories of Finished Goods and Stock In Trade		
	Inventories at the end of the year:		
	Process Scrap- Metal Swarf	7.14	20.97
	Traded goods	-	-
		7.14	20.97
	Inventories at the beginning of the year:		
	Process Scrap- Metal Swarf	20.97	18.43
	Traded goods	-	2.83
		20.97	21.26
	Net (increase) / decrease	13.83	0.29
23	Employee Benefit Expenses		
	Salaries and wages	60.55	45.05
	Contributions to provident and other funds	4.10	4.07
	Gratuity	0.92	0.98
	Staff welfare expenses	2.29	2.02
		67.85	52.13
24	Finance Cost		
	Interest expense on:		
	Unsecured Loan from Body Corporate	-	5.71
		-	5.71
25	Other Expenses		
	Power and fuel	13.54	16.41
	Stores Consumption	78.70	53.47
	Machining Charges	22.61	29.22
	Rent	18.00	18.00
	Repairs and maintenance	4.87	4.72
	Insurance	0.41	0.51
	Rates & Taxes	4.38	1.49
	Director's Remuneration	3.00	3.00
	Director's Meeting Fees	1.22	1.22
	Telephone & Mobile Expenses	0.42	0.50
	Travelling & Conveyance	7.14	0.41
	Coolie & Cartage	0.14	0.29
	Printing & Stationery	0.56	1.00
	Freight & Forwarding	2.15	2.93
	Vehicle Maintenance	0.16	0.13
	Legal & Professional	17.15	21.36
	Postage & Telegram Charges	-	1.21
	Security Service Charges	5.20	5.01
	Depository Charges and Listing Fees	1.01	1.03
	Provision on Impairment of Assets of Malkapuram Factory	37.38	-
	Miscellaneous Expenses	1.44	22.90
	Payment to Auditors		
	- Audit Fees	0.70	0.60
	- Other Work	0.35	0.30
		220.54	185.71

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lacs)

S.N	PARTICULARS	31 March 2023	31 March 2022
26	Income and Deferred Taxes (net)		
	A. Amount recognised in profit or loss		
	Current tax		
	Current period	78.19	102.87
	MAT Credit (Entitlement)/ Availed	-	33.11
	Changes in respect of current income tax of previous year	2.06	-
	A	80.25	135.98
	Deferred tax		
	Attributable to-		
	Origination and reversal of temporary differences	(17.15)	0.70
	B	(17.15)	0.70
	Tax expense reported in the Standalone Statement of Profit and Loss [(A)+(B)]	63.10	136.68
	B. Income tax recognised in other comprehensive income		
	Deferred tax		
	On items that will not be reclassified to profit or loss		
	- Remeasurements of defined benefit plans	(0.49)	(0.10)
	Income tax expense reported in the Statement of Profit and Loss	(0.49)	(0.10)
	C. Reconciliation of effective tax rate for the year ended 31 March 2023		
	Profit/(Loss) before tax (a)	287.24	498.37
	Income tax rate as applicable (b)	25.17%	27.82%
	Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	72.29	138.65
	Permanent tax differences due to:		
	Effect of expenses that are not deductible in determining taxable profit	5.32	-
		77.61	138.65
	Tax effect of:		
	Adjustments in prior year taxes	2.06	-
	Tax impact for difference in depreciation as per books and depreciation as per IT Act	5.29	(0.43)
	Deferred tax assets not recognized as realization is not probable	(17.15)	0.70
	Others	(4.71)	(2.24)
		63.10	136.68

27 Contingent Liabilities

(Rs. in Lacs)

Particulars	Financial Year	Forum	Amount	Case No./ Remarks
Non Agricultural Land Tax	2007-08	Honorable High Court of Andhra Pradesh	3.41	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	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	25.18	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

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

Particulars	Financial Year	Forum	Amount	Case No./ Remarks
				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.
Sales Tax	2010-11	Sales Tax Appellate Tribunal Hyderabad	1.31	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	28.74	The Commercial tax Officer, Visakhapatnam issued a demand notice to the company for payment of Rs.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 Rs.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 Rs.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	1.45	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 Appeallate 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 Rs.30,25,133/- to Rs.14,44,633/- and the applicable penalty arrived as Rs.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 Rs.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	21.09	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. 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 Rs.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, 2023

Particulars	Financial Year	Forum	Amount	Case No./ Remarks
Sales Tax	04/2011 to 07/2012	Appellate Deputy Commissioner (CT) Visakhapatnam	2.11	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 Rs.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	0.95	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.

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

	Leave Encashment		Gratuity	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Net defined benefit asset - Gratuity Plan	-	-	-	-
Net defined benefit obligation - Gratuity Plan	1.99	0.83	2.89	6.17
Total employee benefit liabilities	1.99	0.83	2.89	6.17
Non-current	1.48	0.47	2.57	6.12
Current	0.51	0.37	0.32	0.05

Defined contribution

 Contribution to Defined Contribution Plan, recognized as expense for the period is as under: **31 March 2023** **31 March 2022**

 Employer's Contribution to Provident and Other Funds 4.10 4.07
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 + DA computed proportionately for 15 days salary multiplied for the number of years of completed service.

In the current year the company has contributed to fund based gratuity plan.

The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as on 31st March, 2023 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, 2023

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 2023	31 March 2022	31 March 2023	31 March 2022
(i) Reconciliation of present value of defined benefit obligation				
(a) Balance at the beginning of the year	0.83	0.64	6.17	5.56
(b) Current service cost	0.30	0.25	0.69	0.58
(c) Interest cost	0.06	0.04	0.44	0.38
(d) Actuarial (gains) / losses				
- financial assumptions	-	-	(0.06)	-
- experience adjustment	0.80	(0.11)	1.81	(0.35)
(e) Benefits paid	-	-	-	-
Balance at the end of the year	1.99	0.83	9.05	6.17
(ii) Reconciliation of present value of plan assets				
(a) Balance at the beginning of the year	-	-	-	-
(b) Interest income	-	-	0.22	-
(c) Remeasurements due to:				
Actual return on plan asset less interest on plan asset	-	-	(0.21)	-
(d) Contributions by the employer	-	-	6.15	-
(e) Benefits paid	-	-	-	-
Balance at the end of the year	-	-	6.16	-
(iii) Net Asset / (Liability) recognised in the Balance Sheet				
Present value of defined benefit obligation	(1.99)	(0.83)	(9.05)	(6.17)
Fair value of plan assets			6.16	-
Net defined benefit obligations in the Balance Sheet	(1.99)	(0.83)	(2.89)	(6.17)
(iv) Expense recognised in Statement of Profit and Loss				
Current service cost	0.30	0.25	0.69	0.58
Interest cost	0.06	0.04	0.22	0.38
Expected return on plan assets	-	-	-	-
Immediate recognition of (gain)/ loss on other long term employee benefits	0.80	(0.11)	-	-
Amount charged to Statement of Profit and Loss	1.16	0.19	0.91	0.96
(v) Remeasurements recognised in other comprehensive income				
Actuarial loss (gain) arising on defined benefit obligation from				
- financial assumptions				
- experience adjustment	0.80	(0.11)	1.95	(0.35)
Immediate recognition of (gain)/ loss on other long term employee benefits	(0.80)	0.11	-	-
Amount recognised in other comprehensive income	0.00	0.00	1.95	(0.35)
(vi) Maturity profile of defined benefit obligation				
Within the next 12 months	0.54	-	0.33	-
Between 1 and 5 years	1.46	0.48	6.02	0.61
Between 5 and 10 years	0.85	1.34	5.01	7.49
More than 10 years	6.76	5.70	33.31	29.09
(vii) Sensitivity analysis				
Defined benefit obligation on discount rate plus 100 basis points	(0.10)	(0.05)	(0.60)	(0.50)
Defined benefit obligation on salary growth rate plus 100 basis points	0.12	0.05	0.67	0.57
Defined benefit obligation on discount rate minus 100 basis points	0.12	0.05	0.68	0.57
Defined benefit obligation on salary growth rate minus 100 basis points	(0.10)	(0.05)	(0.61)	(0.52)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(viii) Actuarial assumptions				
Discount rate	7.30%	7.20%	7.30%	7.20%
Expected rate of salary increase	5.00%	5.00%	5.00%	5.00%
Retirement age (years)	58 years		58 years	
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

29 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:

	(Rs. in Lakhs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit attributable to ordinary shareholders (basic and diluted)		
Profit after Tax attributable to Equity Shareholders (Rs. in Lakhs)	222.68	361.94
Weighted average number of ordinary shares (basic and diluted)		
Weighted average number of ordinary shares (Rs. in Lakhs)	34.18	41.50
Earnings/(Loss) per share		
Basic EPS of Rs. 10 each (in Rs.)	6.51	8.72
Diluted EPS of Rs. 10 each (in Rs.)	6.51	8.72

30 Related Party Disclosures

(A) Enterprise under common control with whom transactions have taken place during the year
Beekay Steel Industries Ltd

(B) Key Managerial Personnel and their relatives

Ashok Kumar Bansal

Manav Bansal

Mukesh Chand Bansal- Non-Executive Director (Promoter)

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	
	31-03-23	31-03-22	31-03-23	31-03-22
(A) Enterprise under common control				
Sundry Debtors- Beekay Steel Industries Ltd	-	-	65.00	70.83
Sales (Goods) - Beekay Steel Industries Ltd.	11.90	14.40	-	-
Sales (Capital Goods)				
- Beekay Steel Industries Ltd.	-	-	-	-
Purchase (Goods, Service, Stores, Spares & Capital goods)				
- Beekay Steel Industries Ltd	20.98	5.55	-	-
Conversion/ Machining charges received				
- Beekay Steel Industries Ltd	181.72	183.49	-	-
Rent Received & Electricity				
- Beekay Steel Industries Ltd	124.60	124.96	-	-

Compensation of Key Management Personnel of the Company

Key management personnel compensation comprised the following :

Nature of transaction	(Rs. in Lakhs)	
	Year ended 31 March 2023	Year ended 31 March 2022
Short-term employee benefits	3.00	3.00
Other long-term benefits (Refer Note below)	*	*
Total Compensation paid to key management personnel	3.00	3.00

* 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.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

31 Financial instruments and related disclosures

31.1 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.

(Rs. in Lakhs)

	As at 31st March 2023			As at 31st March 2022	
	Note No.	Carrying amount	Fair value Level 3	Carrying amount	Fair value Level 3
Financial assets:					
Trade receivables	7	69.71	-	95.50	-
Cash and cash equivalents	8	11.22	-	19.81	-
Other financial assets	10	27.19	-	182.55	-
Financial liabilities:					
Trade payables	16	28.22	-	45.80	-
Other financial liabilities	17	19.04	-	11.62	-

31.2 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.

31.3 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

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

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 2023		Year ended 31st March 2022	
	%	Amount (Rs. in Lakhs)	%	Amount (Rs. in Lakhs)
Revenue from top customer	37.46%	193.62	29.85%	197.89
Revenue from top five customers	84.30%	435.78	82.41%	546.41

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.

(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 2023	Less than 1 year	1-5 years	> 5 years	Total
Trade payables	20.03	4.07	4.13	28.23
Other financial liabilities	16.70	0.49	1.86	19.05
31 March 2022				
Trade payables	22.96	1.29	21.55	45.80
Other financial liabilities	11.62	-	-	11.62

(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:



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lakhs)

Particulars	31 March 2023	31 March 2022
Fixed rate instruments		
Financial assets	-	-
Financial liabilities	-	-
Variable rate instruments		
Financial assets	373.79	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.

32 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).

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

34 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 Honb'le 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.

35 a) Ageing for trade payables outstanding as on 31st March, 2023 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 (Note No. 16)	-	20.03	0.88	3.19	4.12	28.22
(iii) Others (Note No. 17)	-	10.78	0.41	0.09	1.85	13.11
(i) Disputed Dues-MSME	-	-	-	-	-	-
(i) Disputed Dues-MSME	-	-	-	-	-	-
Total	-	30.81	1.29	3.28	5.97	41.33

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lakhs)

b) Ageing for trade payables outstanding as on 31st March, 2022 is as follows-

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	-	-	22.84	45.80
(i) Disputed Dues-MSME	-	-	-	-	-	-
(i) Disputed Dues-MSME	-	-	-	-	-	-
Total	-	22.96	-	-	22.84	45.80

36 a) Ageing for trade receivables outstanding as on 31st March, 2023 is as follows- (Rs. in Lakhs)

Particulars	Unbilled Revenue	Outstanding for following periods from due date of payment*					More than 3 years
		Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
(i) Undisputed Trade Receivables- considered good	-	-	69.71	-	-	-	-
Total	-	-	69.71	-	-	-	-

b) 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*					More than 3 years
		Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
(i) Undisputed Trade Receivables- considered good	-	-	95.50	-	-	-	-
Total	-	-	95.50	-	-	-	-

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

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

37 Additional Regulatory Information required by Schedule III
(i) Borrowing secured against current assets

The Company does not have any borrowings in the form of term loans, overdraft and extended credit towards the working capital. Also, 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

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

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

(vii) 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.

(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	9.43	10.16	-7.19%
(b) Debt-Equity ratio (in times) ^	Debt (Long Term + Short Term)	Equity	-	-	-
(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)	NA	5.16	NA
(d) Return on Equity Ratio#	(Net Profit after taxes- Preference Dividend (if any)*100	Equity	15.83%	23.29%	-32.03%
(e) Inventory turnover ratio (in times)@	Revenue from operations	Average Inventory	12.44	13.93	-10.70%
(f) Trade receivables turnover ratio (in times)	Net credit sales	Average accounts receivables	6.26	6.53	-4.21%
(g) Trade payables turnover ratio (in times)^^	Net credit purchases	Average accounts payable	3.81	2.88	32.32%
(h) Net capital turnover ratio (in times)##	Revenue from operations	Average working capital*	0.84	1.30	-35.30%
(i) Net profit ratio (in %)	Profit for the year	Revenue from operations	43.36%	54.55%	-20.51%
(j) Return on capital employed (in %)<	Profit before tax and finance costs	Capital employed = Networth	20.29%	32.46%	-37.50%
(k) Return on Investments (in %) ^^	Income generated from invested funds	Average invested funds	-	9.70	100.00%

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

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

There has been decrease in profits during the year and total equity capital has reduced due to buyback.

^ NA as company does not have any borrowings.

@ This is due to decrease in average inventory

This is due to increase in average working capital

<> This is due to decrease in EBIT for the year.

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

38 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.

39 (a) Estimated capital commitment (net of advance) : Rs. 87.42 lacs (March 31, 2022 - Rs. Nil lacs)

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: 29th May, 2023

Place: Kolkata

UDIN : 23065738BGWLXJ1767

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/-

Sd/-

Anupam Ghosh

Manav Bansal

Company Secretary

Director

(Din: 00103024)

BOOK POST



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