METAL COATINGS (INDIA) LTD.

Works II : 113, HSIIDC Indl. Estate, Sector-59, Faridabad-121 004
Phone : 09999972371, Fax : 0129-2307422

AN ISO 9001:2015 CERTIFIED COMPANY

Date: 26th July, 2022

To,
BSE Limited
Phiroze Jeejeebhoy Towers
25th Floor, Dalal Street
Mumbai- 400 001

Sub.: Annual Report for the Financial Year 2021-22 and Notice for convening the 28th Annual General Meeting.

Ref.: Scrip Code – 531810; Scrip Id – METALCO

Dear Sir/Madam,

We are pleased to inform you that the 28th Annual General Meeting ("AGM") of the Company will be held on Wednesday, 17th August, 2022 at 12:30 P.M. IST through video conferencing ("VC") / other audio visual means ("OAVM").

Further in continuation to our letter dated July 25, 2022 regarding filing of the Company's Annual Report and Notice, we wish to inform that in Point No. 3 at Page No. 1 of the Notice regarding appointment of Mr. Sachin Khurana the word Ordinary shall be read as Special.

Please find enclosed herewith the Annual Report for the Financial Year 2021-22 and Notice for convening the 28th Annual General Meeting.

The said Annual Report for the Financial Year 2021-22 and Notice for convening the 28th Annual General Meeting is also uploaded on the Company's website at www.mcil.net.

You are requested to kindly take the above information on your records.

Thanking you.

Yours faithfully,

For Metal Coatings (India) Limited

ASingh

Metal Coatings (India) Ltd. New Delhi

Aditi Singh
Company Secretary & Compliance Officer

ANNUAL REPORT 2021-22

METAL COATINGS (INDIA) LIMITED

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Ramesh Chander Khandelwal
(Chairman & Whole Time Director)

Pramod Khandelwal
(Managing Director)

Satish Kumar Gupta
(Non-Executive
Independent Director)

Rupali Aggarwal
(Non-Executive
Independent Director)

Sachin Khurana
Additional, (Non-Executive
Independent Director)

Ram Avtar Sharma
(Chief Financial Officer)

Aditi Singh
(Company Secretary &
Compliance Officer)

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Ramesh Chander Khandelwal
Chairman & Whole-time Director

Mr. Pramod Khandelwal
Managing Director

Mr. Satish Kumar Gupta
Independent Director

Mrs. Rupali Aggarwal
Independent Director

Mr. Sachin Khurana
Additional Independent Director

CHIEF FINANCIAL OFFICER

Mr. Ram Avtar Sharma

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Aditi Singh

STATUTORY AUDITORS

M/s. Mehra Goel & Company
Chartered Accountants
505, Chiranjiv Tower, 43,
Nehru Place, New Delhi-110019

SECRETARIAL AUDITOR

M/s CPA & Co.

COST AUDITOR

Mr. Ramawatar Sunar
Cost Accountant
A-2/252-253 Ground Floor, Sector 8, Rohini
New Delhi – 110085

REGISTRAR AND SHARE TRANSFER AGENT

M/s. Link Intime India Private Ltd.
Noble Heights, 1st Floor, NH-2
C-1 Block LSC, Near Savitri Market, Janakpuri
New Delhi - 110058
Phone No.: 011-41410592, 93, 94
Telefax: 011-41410591
E-mail: delhi@linkintime.co.in

REGISTERED OFFICE

912, Hemkunt Chambers,
89, Nehru Place,
New Delhi -110 019
Phone No.: 011-41808125
Email Id: info@mcilindia.net
Website: www.mcil.net
CIN: L74899DL1994PLC063387

WORKS

Plot No. -113, HSIIDC Industrial Estate,
Sector – 59, Faridabad – 121 004, Haryana

BANKERS

The Hongkong and Shanghai Banking Corporation Ltd.

WEBSITE

www.mcil.net

Email ID for Investors

cs@mcilindia.net

28th ANNUAL GENERAL MEETING

Day : Wednesday
Date :17th August , 2022
Time : 12:30 p.m. (IST)

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BOARD'S REPORT

Dear Members,
Your Board of Directors have pleasure in presenting the **28th (Twenty Eighth)** Annual Report of the Company along with the audited financial statements for the Financial Year ended 31st March, 2022.

FINANCIAL RESULTS

The summarized Financial Performance of your Company for the financial year ended 31st March, 2022 is as follows:

(₹ in lacs)

Particulars	**For the year ended 31st March, 2022**	**For the year ended 31st March, 2021**
Revenue from Operations	14,225.70	9,411.65
Other Income	124.01	82.32
Operating Profit	436.88	400.38
Less : Depreciation	47.34	51.58
Profit before Finance Costs, Exceptional items and Tax Expense	389.54	348.81
Less: Finance Cost	13.81	5.60
Profit before exceptional items and Tax Expense	375.73	343.21
Add/(less):Exceptional Items	-	-
Profit / loss before Tax Expense	375.73	343.21
Less: Provision for Tax and Adjustment	93.39	86.47
Profit for the year(1)	282.34	256.74
Total Comprehensive Income / (loss)(2)	(33.82)	(7.79)
Total (1+2)	248.52	248.95
Balance of profit for earlier years	2,247.87	1,998.92
Less: Dividend paid on Equity Shares	-	-
Less: Dividend Distribution Tax	-	-
Balance carried forward	**2,496.39**	**2,247.87**

PERFORMANCE REVIEW AND STATE OF AFFAIRS OF THE COMPANY

The company registered a growth of 51.15% in sales and nearly 10% growth in PAT. This performance, in a year which saw the dreaded second wave of covid-19 and substantial disruptions as a result thereof, has been quite encouraging. While the topline growth was buoyed by the increase in steel prices, the bottom-line growth has been a result of focused efforts on improving efficiencies in all components of the operations – be it manufacturing or sales or working capital management. Even as the company continued to face challenges of shortage of manpower and overbearing uncertainties, the company continued to follow all safety norms at work place and ensured complete vaccination of all employees on a timely basis. The risk intelligent culture of the company continued to ensure smooth cash flows, efficient working capital management and minimum disruption of activities.

DIVIDEND

Your Directors feel that it would be prudent to plough back the profits for future growth of the Company and do not recommend any dividend for the financial year ended 31st March, 2022.

TRANSFER OF UNCLAIMED / UNPAID DIVIDEND AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013 read with Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all unpaid or unclaimed dividend are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government of India, after the completion of seven years from the date of transfer to Unpaid Dividend Account of the Company. Further, according to Section 124(6) of the Companies Act, 2013 and the rules made there in, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the demat account of IEPF Authority.

It may be noted that the unclaimed dividend of Rs. 5,90,658/- for the financial year 2013-14 declared on September 23, 2014 along with 5,064 shares have been transferred to the IEPF in accordance with the applicable provisions of the Act read with relevant rules made there under within the prescribed time limit. The details of such unclaimed dividend and shares transferred to the IEPF are available on the Company's Website i.e. http://www.mcil.net/contact.aspx. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

The shares and unclaimed dividend transferred to the IEPF can however be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The Member/Claimant is required to make an online application to the IEPF Authority in Form No. IEPF -5 (available on www.iepf.gov.in) along with requisite fees as decided by the IEPF Authority from time to time. The shareholder, who have not yet claimed any of their dividends which is not yet transferred to IEPF, are requested to contact the Company / RTA of the Company for claiming the same.

The following table gives information of future dates when the amount of dividend is due for transfer to IEPF:

Financial Year Ended	Date of Declaration of Dividend	Due to be Transferred to IEPF Fund
31st March, 2015	24.08.2015	September, 2022
31st March, 2016	16.03.2016	April, 2023
31st March, 2017	22.09.2017	October, 2024
31st March, 2018	19.09.2018	October, 2025
31st March, 2019	24.09.2019	October, 2026

Details of Nodal Officer appointed by the Company under the provisions of IEPF is available on Investors Section of the Website of the Company at web link http://www.mcil.net/contact.aspx.

TRANSFER TO RESERVES

No amount has been proposed to be carried to any Reserves. Entire amount of Rs. 248.52 lacs is proposed to be retained in Surplus.

SHARE CAPITAL

The paid up Equity Share Capital as at 31st March, 2022 is Rs. 732.68 lacs comprising of 73,26,800 Equity Shares of Rs. 10 each. There is no change in the issued & subscribed capital of the Company of the year. Further, during financial year 2021-22 your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity. As on 31st March, 2022, none of the Directors or Key Managerial Personnel of the Company holds instruments convertible into equity shares of the Company. All the Shares of the Promoters which are held in the Company are in dematerialized form.

MATERIAL CHANGES AND COMMITMENTS DURING THE YEAR

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year to which the financial statements relate and the date of the report .

CHANGE IN THE NATURE OF BUSINESS

During the year, there was no change in the nature of business of the Company.

DIRECTORS & KEY MANAGERIAL PERSONNEL

As on 31st March, 2022, the Board of Directors of the Company has a good and diverse mix of Executive and Non-Executive Directors comprised of four (4) directors including a Managing Director, Whole Time Director and two (2) Independent Directors including one Independent Woman Director. However, the Board in its meeting held on 19th May, 2022 appointed Mr. Sachin Khurana as an Additional Non-Executive Independent Director.

Appointment, Re-Appointment and/or Cessation

Your Company's Board is duly constituted which is in compliance with the requirements of the Act, the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 [hereinafter referred to as "Listing Regulations"] and provisions of the Articles of Association of the Company.

Change in Directorate

Resignation of Independent Director

Mr. Santosh Khandelwal, Non-Executive Independent Director of the Company has resigned from the Board of Directors of the Company and committees thereof w.e.f. 23rd February, 2022. The Board placed on record the valuable guidance and support received from him during his tenure.

Retirement by rotation and subsequent re-appointment

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Ramesh Chander Khandelwal (DIN: 00124085), Whole-time Director of the Company being liable to retire by rotation, shall retire at the ensuing AGM and being eligible, offers his candidature for re-appointment.

The brief resume and other details, as required under the Regulation 36(3) of the Listing Regulations, of the Directors seeking appointment / re-appointment at the ensuing AGM are provided in the Notice of the AGM of the Company which forms part of the Annual Report.

Appointment of Non-Executive Director

The Board of Directors of your Company at its meeting held on 19th May 2022, based on the recommendation of Nomination and Remuneration Committee, has appointed Mr. Sachin Khurana (DIN: 06435657) as Additional Independent Director of the Company w.e.f 19th May, 2022 and the said appointment shall be subject to the approval of the members in the ensuing Annual General Meeting.

CS Sachin Khurana is a fellow member of the Institute of Company Secretaries of India, a Masters in Commerce, a Law Graduate and a certified CSR professional. He has a working experience of more than 8 years. Having proficiency in all matters related to Companies Act, Intellectual Property Rights (Registered Trade Mark Agent), FEMA and its regulations, various business laws and assisting in setting up of businesses in India. He has command over compliance management services with regard to Company Law, statutory reporting, secretarial audits, various labour laws and other statutory requirements.

He is a visiting faculty at NIRC and various chapters. He has served as a member of the PCS committee of NIRC - ICSI for 2019, member of Infrastructure Committee of NIRC – ICSI 2020. Presently, he is member of the Task Force on Company Law constituted by ICSI - HQ, also serving as co-conveyor of the Economic and Corporate Law Group of Bhartiya Vitta Salahkar Samiti ("BVSS"), a leading think tank of Indian Finance Professionals.

Key Managerial Personnel

Ms. Ayati Gupta was appointed as the Company Secretary & Compliance Officer of the Company with effect from 30th November, 2020, and has resigned from the services of the Company effective from 09th April, 2022. The Board placed on record the valuable guidance and support received from her during her tenure.

The Board of Directors of the Company at its meeting held on 28th May, 2022, based on the recommendation of Nomination and Remuneration Committee, has appointed Ms. Aditi Singh as the Company Secretary & Compliance Officer of your Company.

The following persons have been designated as Key Managerial Personnel (hereinafter referred to as "KMP") of the Company in accordance with the provisions of Section 2(51) and Section 203 of the Act, read with the Rules framed there under:-

1. Mr. Ramesh Chander Khandelwal, Chairman & Whole-time Director;
2. Mr. Pramod Khandelwal, Managing Director;
3. Mr. Ram Avtar Sharma, Chief Financial Officer; and
4. Ms. Aditi Singh, Company Secretary & Compliance Officer

None of the Whole-time KMP of the Company is holding office in any other Company as KMP and none of the Directors/ KMP of Company are disqualified.

Statement of Declaration given by Independent Directors

The Company has received necessary declaration of independence from all the Independent Directors of the Company, under Section 149(7) of the Act, that he/she meets the criteria of Independent Directors envisaged in Section 149(6) of the Act and rules made thereunder and Listing Regulations and are not disqualified from continuing as Independent Directors.

The Independent Directors have also confirmed that they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs. Further Company has also received statements from all the Independent Directors that they have complied with Code of Conduct for Independent Directors prescribed in Schedule IV of the act and also statement on compliance of code of conduct for Directors and Senior Management Personnel formulated by Company. The same is attached in Corporate Governance section of this Annual Report.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and Listing Regulations. The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on 5th January 2017.

As required under the provisions of the Act, a separate meeting of Independent Directors was held during the year 13th January, 2022. In the meeting, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In the board meeting, the performance of the board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated. The Board opines that Independent Directors have got integrity, expertise and relevant experience required in industry in which Company operates.

The evaluation of all the Directors and the Board as a whole was found to be satisfactory. The flow of information between the Company management and the Board is timely, qualitative and adequate.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Independent Directors are periodically updated by the Company with the Company's policies, business, on – going events and roles and responsibilities of the Directors. Executive Management, through presentations at Board and Committee Meetings, provides them regular updates on the Company including financial and business performance, operational highlights, business risks and their mitigation plans, new offerings, major clients, material litigations, regulatory compliance status and relevant changes in statutory regulations. Details of such familiarization programs are posted on the website of the Company at the weblink http://www.mcil.net/investors.aspx.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3) (c) & 134(5) of the Act, your Board of Directors' to the best of their knowledge and ability hereby confirm that:

a. in the preparation of the annual accounts for the financial year ended 31st March 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;

c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d. the Directors have prepared the annual accounts on a going concern basis;

e. the Directors have laid down internal financial controls for the Company and these internal financial controls were adequate and operating effectively;

f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DEPOSITS

During the year under review, your Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) from the public and as such no amount of principal or interest remained unpaid or unclaimed at the end of the financial year 31st March, 2022.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans or guarantees as covered under the provisions of section 186 of the Act during the financial year ended 31st March, 2022. The investment made by the Company during the financial year ended 31st March, 2022 is within the limits as specified under section 186 of the Act.

NO DEFAULT

The Company has not defaulted in payment of interest and repayment of loan to any of the financial institutions and / or banks during the period under review.

RELATED PARTY TRANSACTIONS

As required under the Listing Regulations and the Act, prior omnibus approval was obtained for Related Party Transactions which are of repetitive nature and/or entered in the ordinary course of business and are at Arm's Length basis, in the first meeting of Audit Committee for the financial year 2021-22.

All transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee of the Company for its review. The details of the related party transactions are set out in Note No. 33 to the Financial Statements of the Company.

The particulars of contracts entered with related parties are shown in the prescribed form AOC-2 which is enclosed at **'Annexure – I'**. The Related Party Transactions Policy as approved by the Board is uploaded on the website of the Company at the weblink i.e. http://www.mcil.net/investors.aspx.

AUDITORS AND AUDITOR'S REPORT

(I) STATUTORY AUDITORS AND AUDITOR'S REPORT

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules framed thereunder, the Company in its 27th Annual General Meeting had appointed M/s. Mehra Goel & Co., Chartered Accountants, (Firm registration No. 000517N) as the Statutory Auditors for a term of 5 (five) consecutive years which is valid till conclusion of 32nd Annual General Meeting of the Company. They have confirmed their eligibility for the Financial Year 2021-22 under section 141 of the Companies Act, 2013 and the Rules framed thereunder.

The report of the Statutory Auditors on Financial Statements for the year under review forms part of the Annual Report and there are no auditor's qualifications, reservation, adverse remark or disclaimer in the audit report for the financial year ended 31stMarch, 2022.

There have been no instances of fraud reported by the Statutory Auditor during the financial year 2021-22 under Section 143(12) of the Act (including any statutory modification(s) or re- enactment(s) for the time being in force) read with rules framed thereunder, either to the Company or to the Central Government.

(II) SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and the rules framed thereunder, the Company has re-appointed M/s. CPA & Co., a firm of Company Secretaries in Practice to conduct the Secretarial Audit of the Company for the financial year 2022-23.

The Secretarial Audit Report for the financial year 2021-22 forms integral part of this Report as **'Annexure – II'**. There are no qualifications, observations or adverse remark or disclaimer in the said report.

(III) COST AUDITORS AND COST RECORDS

The Board of Directors of your Company, on the basis of provisions of Section 148 of the Act read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, and as per the recommendations provided by the Audit Committee, has re-appointed Mr. Ramawatar Sunar, Cost Accountant (Firm registration No. 100691) as Cost Auditor of your Company for conducting the Audit of Cost records of the Company for the financial year 2022-23. Company has received written consent from Mr. Ramawatar Sunar, Cost Accountant to the effect that his appointment, if made, will be in accordance with the applicable provisions of the Act and rules framed there under.

As per Section 148(3) of the Act, the remuneration payable to the Cost Auditors requires ratification by Shareholders. An appropriate resolution, to this effect, is being proposed at the ensuing AGM.

As per Section 148(1) of the Act, the cost records as specified by the Central Government are being made and maintained by your Company. Your Company has filed the Cost Audit Report for the financial year 2020-21 with the Registrar of Companies, Ministry of Corporate Affairs in the XBRL mode during the year under review.

DISCLOSURES

(I) MEETINGS OF THE BOARD

The Meetings of the Board of Directors were held at the Registered Office of the Company at 912, Hemkunt Chambers 89, Nehru Place New Delhi - 110019. The Company has provided facility of video conferencing to facilitate the Directors to participate in the board meetings. The notices of Board / Committee meetings were given well in advance to all the Directors. The Agenda for the Board and Committee Meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take informed decisions. All observations, recommendations and decisions of the Committees were placed before the Board for consideration and approval.

During the financial year 2021-22, Nine (9) Board meetings were held on 16th April, 2021, 30th June, 2021, 12th July, 2021, 10th August, 2021, 25th September, 2021, 11th November, 2021, 13th January, 2022, 11th February, 2022, and 15th March, 2022. The gap between two consecutive Board meetings did not exceed one hundred twenty (120) days as prescribed under the Act and the Listing Regulations. The necessary quorum was present at all the meetings. The particulars of meetings held and attended by each Director are detailed in the Corporate Governance Report.

(II) AUDIT COMMITTEE

The Audit Committee of the Board as on 31st March, 2022, comprises Non-Executive Independent Directors namely Mr. Satish Kumar Gupta (Chairman), and Mrs. Rupali Aggarwal as member. However, the Board in its meeting held on 19th May, 2022 appointed Mr. Sachin Khurana as an Additional Non-Executive Independent Director and as member of the Audit Committee. The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of Listing Regulations, Section 177 of the Companies Act, 2013 and such other functions as may be specifically delegated to the Committee by the Board from time to time.

During the financial year 2021-22, Six (6) Audit Committee meetings were held on 16th April, 2021, 30th June, 2021, 10th August, 2021, 25th September, 2021, 11th November, 2021 and 11th February, 2022. The gap between two consecutive Audit Committee meetings did not exceed one hundred twenty (120) days as prescribed under the Act and the Listing Regulations. The necessary quorum was present at all the meetings. The particulars of meetings held and attended by each Director are detailed in the Corporate Governance Report. During the year all the recommendations made by the Audit Committee were accepted by the Board.

(III) NOMINATION AND REMUNERATION COMMITTEE

Nomination and Remuneration Committee of the Board as on 31st March 2022, comprises Non-Executive Independent Directors namely Mr. Satish Kumar Gupta (Chairman), Mrs. Rupali Aggarwal as member. However, the Board in its meeting

held on 19th May, 2022 appointed Mr. Sachin Khurana as an Additional Non-Executive Independent Director and as member of

the Nomination and Remuneration Committee. The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Regulation 19 of Listing Regulations and Section 178 of the Act, besides other terms as may be referred by the Board of Directors.

During the financial year 2021-22, Three (3) Nomination and Remuneration Committee meetings were held on 30th June, 2021, 10th August, 2021 and 13th January, 2022. The necessary quorum was present at all the meetings. The particulars of meetings held and attended by each Director are detailed in the Corporate Governance Report. During the year all the recommendations made by the Nomination and Remuneration Committee were accepted by the Board.

(IV) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Board, as on 31st March 2022, comprises of Mr. Ramesh Chander Khandelwal and Mr. Pramod Khandelwal as members. However, the Board in its meeting held on 19th May, 2022 reconstituted the committee and appointed Mrs. Rupali Aggrawal as Chairman of the Stakeholders Relationship Committee. The Committee, *inter-alia*, reviews and ensures redressal of investor grievances.

During the financial year 2021-22, Five (5) Stakeholders Relationship Committee meetings were held on 16th April, 2021, 30th June, 2021, 10th August, 2021, 11th November, 2021 and 11th February, 2022. The necessary quorum was present at all the meetings. The particulars of meetings held and attended by each Director are detailed in the Corporate Governance Report.

SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company doesn't have any Subsidiary, Joint Venture or Associate Company.

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

A. CONSERVATION OF ENERGY

The Company continued to give major emphasis for conservation of Energy, and the measures taken during the previous years were continued. The Efficiency of Energy Utilization in manufacturing unit is monitored at the Corporate level every quarter, in order to achieve effective conservation of energy.

B. TECHNOLOGY ABSORPTION

The technology being appropriate for current need, no research, development and up gradation is required at this stage.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

There are no foreign exchange earnings and outgo.

CORPORATE SOCIAL RESPONSIBILITY

Provisions of Section 135 of the Act are not applicable to the Company.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 read with the rules made thereunder, the Annual Return of the Company has been disclosed on the website of the Company and web link thereto is: http://www.mcil.net/investors.aspx.

BOARD POLICIES

(a) Policy of Nomination and Remuneration

The Company has in place a Nomination and Remuneration policy duly adopted and approved by the Board. The Nomination and Remuneration Policy of the Company includes the terms and conditions for appointment and payment of remuneration to the Directors and KMP and other senior management personnel including criteria for determining qualifications, positive attributes, independence of a director as per Section 178 and Schedule IV of the Act. There have been no changes in the said policy during the year. The said policy may be accessed on the website of the Company at the weblink http://www.mcil.net/investors.aspx.

(b) Vigil Mechanism/Whistle Blower Policy

The Company has formulated a Whistle Blower Policy relating to Vigil Mechanism in terms of Section 177 of the Act and Regulation 22 of Listing Regulations, for Employees and Directors to keep high standards of ethical behaviour and provide safeguards to whistle blower. The policy safeguards the whistle blowers to report concerns or grievances and also provides a direct access to the Chairman of the Audit Committee. The Whistle Blower Policy is available on the website of the Company at the weblink http://www.mcil.net/investors.aspx.

(c) Risk Management Policy

The Company has developed and implemented the Risk Management Policy and the Audit Committee of the Board reviews the same periodically. The Risk Management policy is available on the website of the Company at the weblink http://www.mcil.net/investors.aspx.

(d) Code for Prevention of Insider Trading

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code of Prevention of Insider Trading is available on the website of the Company at the weblink http://www.mcil.net/investors.aspx

(e) Code of Conduct and Ethics

The Company has adopted the Code of Conduct and Ethics which forms the foundation of its ethics and compliance program. The Code of Conduct and Ethics is available on the website of the Company at the weblink http://www.mcil.net/investors.aspx.

MANAGERIAL REMUNERATION

The information required pursuant to Section 197(12) of the Act read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors are furnished hereunder:

Sl. No.	Name	Designation	% Increase/(Decrease) of remuneration in 2021-22 as compared to 2020-21	Ratio of Remuneration to MRE #
1	Mr. Pramod Khandelwal	Managing Director	(11.70%)	87.87
2	Mr. Ramesh Chander Khandelwal	Chairman and Whole-time director	(11.70%)	87.87
3	Mr. Satish Kumar Gupta	Independent Director	22.22%	0.24
4	Ms. Neha Gupta*	Independent Director	(57.14%)	0.03
5	Mr. Santosh Khandelwal*	Independent Director	114.28%	0.16
6	Mrs. Rupali Aggarwal*	Independent Director	N.A.	0.14
7	Mr. Ram Avtar Sharma	Chief Financial Officer	9.67%	6.09
8	Ms. Ayati Gupta	Company Secretary & Compliance Officer	120.83%	2.01

MRE : Median Remuneration of Employees. # : Based on annualised Salary

* **Ms. Neha Gupta and Mr. Santosh Khandelwal,** Non-Executive Independent Directors of the Company have resigned from the Board of Directors of the Company and committees thereof w.e.f. 02nd August, 2021 and 23rd February, 2022 respectively. Further Mrs. Rupali Aggarwal was appointed as Non-Executive Independent Director of the company w.e.f. 30th June, 2021.

1. The percentage increase in Median remuneration of employees for the year 2021-22 is 7.52%
2. The number of permanent employee on the rolls of the Company as of 31st March, 2022 is 70.
3. The average percentage increase in salary of the Company's employees excluding the KMP was 15.82% and including KMP was -2.07%. The salary of KMP were based on the recommendation of Nomination and Remuneration Committee to revise the remuneration as per the Remuneration Policy of the Company.
4. In terms of the provisions of Section 197 of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, a statement showing the names and other particulars of the top ten employees in terms of remuneration drawn set out in the said rules are provided in 'Annexure –III' to the Board's Report.
5. It is affirmed that the remuneration is as per the remuneration policy of the company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY ANY REGULATORS OR COURT

During the year under review, no significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

INTERNAL FINANCIAL CONTROL

In order to align with the requirement of Section 134(5) (e) of the Companies Act, 2013, the Company has in place adequate internal financial controls which provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. In particular, it ensures adequate operating controls, clear policies and detailed procedures of operations, delegation of authorities, safeguarding of assets, prevention and detection of frauds and errors, financial controls on financial reporting and timely preparation of reliable financial information. Nonetheless your Company recognizes that any Internal control framework, no matter how well designed has inherent limitations and accordingly it is ensured that systems are reinforced on ongoing basis.

CREDIT RATING

Acuité has reaffirmed long-term rating of 'ACUITE BBB' (read as ACUITE BBB) and short term rating of 'ACUITE A3+' (read as ACUITE A three plus) on the bank facilities of the Company. The outlook is 'Stable'.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India ("SEBI"). The report on Corporate Governance as stipulated under the Listing Regulations forms part of this Annual Report. The requisite certificate from the Practicing Company Secretaries confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

LISTING ON STOCK EXCHANGE

The equity shares of the Company are listed on Bombay Stock Exchange Limited. The Annual Listing fees for the financial year 2022-23 has been duly paid to the said Stock Exchange. The Company is in compliance with all applicable provisions of Listing Regulations entered with BSE.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 read with Schedule V to the Listing Regulations, is presented in a separate section forming part of this Annual Report.

INDUSTRIAL RELATIONS

During the year under review, industrial relations remained harmonious at all our offices and establishments.

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/bonus/right issues as at 31st March, 2022. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters are not applicable.

PREVENTION, PROHIBITION & REDRESSAL OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company has a zero tolerance for any abuse against Women at Workplace. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

COMPLIANCE WITH THE SECRETARIAL STANDARDS

Applicable Secretarial Standards i.e. SS-1 and SS-2 relating to 'Meeting of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

DISCLOSURES BY SENIOR MANAGEMENT

Senior Management has made disclosures of Interest to the Board relating to all material Financial & Commercial transactions entered between Company and third parties.

DIFFERENCE IN THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

There were no instances where your Company required the valuation for one time settlement and while taking the loan from the Banks or Financial institutions.

ACKNOWLEDGEMENT

Your Directors place on record their deep appreciation to all employees for their hard work, dedication and commitment. The Board places on record its appreciation for the support and co-operation your Company has been receiving from its suppliers, distributors, retailers, business partners and others associated with it as its trading partners. It will be your Company's endeavor to build and nurture strong links with the trade based on mutuality of benefits, respect for and co-operation with each other, consistent with consumer interests.

Your Directors also take this opportunity to thank all Shareholders, Business Partners, Government and Regulatory Authorities and Stock Exchanges, for their continued support.

For and behalf of the Board of Directors

Sd/-
Ramesh Chander Khandelwal
Chairman
DIN: 00124085

Place: New Delhi
Date : 13th July, 2022

Annexure – I

Form No. AOC-2

(Pursuant to clause (h) of Section 134(3) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2022, which were not at arm's length basis.

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

Name of the related party	Nature of Relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of Contracts/ Arrangements/ Transactions	Date of Approval by the Board	Amount (Rs. in lacs)	Salient Terms
M/s Khandelwal Busar Industries Private Limited	Enterprise in which Mr. Ramesh Chander Khandelwal and Mr. Pramod Khandelwal, Directors of the Company have substantial interest.	Sales	01.04.2019-31.03.2024	13.02.2019	2433.83	At prevailing Market Rate
		Purchases	01.04.2019-31.03.2024	13.02.2019	506.62	
		Job Work Expense	01.04.2019-31.03.2024	13.02.2019	0.10	
		Rent	01.04.2020-31.03.2023	14.02.2020	24.00	

No advances were paid for the above related party transactions.

For and on behalf of the Board of Directors

Sd/-

Date : 13th July, 2022

Place : New Delhi

Ramesh Chander Khandelwal

Director

(DIN: 00124085)

Annexure - II

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[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,

METAL COATINGS (INDIA) LIMITED

912, Hemkunt Chambers 89,

Nehru Place New Delhi -110019

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

Based on our verification of the **METAL COATINGS (INDIA) LIMITED** 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **METAL COATINGS (INDIA) LIMITED** ("the Company") for the financial year ended on March 31, 2022 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. 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; **(Not Applicable during the period under review)**

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-

   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; **(Not Applicable during the period under review as the Company has not issued any further Share Capital)**

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable during the period under review)**

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable during the period under review)**

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable during the period under review)**

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable during the period under review)**

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vi. The company is engaged in Manufacturing of Cold Rolled Steel Strips/coils and HRPO steel strips/coils. These products are used by a wide range of user industries such as Auto Component, White Goods and Electrical Equipment etc. The Company supplies the goods to many reputed companies.

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

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

ii. The Listing Agreements entered into by the Company with BSE Ltd. (BSE) as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

Adequate notice is given to all directors to schedule the Board Meetings, including Committees thereof, along with the 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.

All decisions at Board Meetings including Committee Meetings are carried out unanimously as recorded in Minutes Book and there are no dissenting member's views.

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

We further report that during the audit period the company has following specific events/actions having a bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards etc. referred to above:

a. During the period under review, Mr. Ramawatar Sunar (Membership No. 10567) was appointed as the Cost Auditor of the Company for the financial Year ended March 31, 2022 in the Board Meeting held on 30th June, 2021.

b. During the period under review, Mr. Ramesh Chander Khandelwal (DIN: 00124085) was re-appointed as the Whole-time Director of the Company for the period of three years commencing from 1st October, 2021 to 30th September, 2024 in the Annual General Meeting held on 16th September, 2021.

c. During the period under review, Mr. Pramod Khandelwal (DIN: 00124082) was re-appointed as the Managing Director of the Company for the period of three years commencing from 1st October, 2021 to 30th September, 2024 in the Annual General Meeting held on 16th September, 2021.

d. During the period under review, Mrs. Rupali Aggarwal (DIN: 08740470) was appointed as the Additional Director under the "Independent" Category of the company in the Board Meeting held on 30th June, 2021.

Further, She was regularised as the Non-Executive Independent Director of the Company for the period of two years commencing from 1st July, 2021 to 30th June, 2023 in the Annual General Meeting held on 16th September, 2021.

e. During the period under review, Ms. Neha Gupta (DIN: 06948920) has resigned from the Directorship of the company w.e.f 2nd August, 2021 and the Board of Directors took note the resignation in their Meeting held on 10th August, 2021.

f. During the period under review, Mr. Santosh Khandelwal (DIN: 08279310) has resigned from the Directorship of the company w.e.f 23rd February, 2022 and the Board of Directors took note the resignation in their Meeting held on 15th March, 2022.

g. Pursuant to the provisions of Section 124 (6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Rules, 2016, during the audit period 5,064 shares, nominal amount of which was Rs. 50,640 were transferred to the IEPF Account for the Financial Year 2013-14 and the amount credited to IEPF was Rs. 590,658.

For CPA & Co.
Company Secretaries

Sd/-
CS Kapil Kachhawa
Partner
ACS. 42638 | C.P.No.: 24851

Date: 17th May, 2022
Place: Gurugram
UDIN: A042638D000330904

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

ANNEXURE-I TO THE FORM NO. MR-3

To,
The Members,
METAL COATINGS (INDIA) LIMITED
912, Hemkunt Chambers 89,
Nehru Place New Delhi -110019

Our report of even dates is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records, we believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.

4. Wherever required, we have obtained the management representation about the Compliances of the laws, rules and regulations and happening of events, etc.

5. The Compliance of the provisions of the corporate and other applicable laws, rules and regulations, standards is the responsibility of the Management; our examination was limited to the verification of the procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For CPA & Co.
Company Secretaries

Sd/-
CS Kapil Kachhawa
Partner
ACS. 42638 | C.P.No.: 24851

Date: 17th May, 2022
Place: Gurugram
UDIN: A042638D000330904

Annexure – III

Statement Pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2022

a. Details of Top 10 employees in terms of Remuneration drawn

Name	Age	Qualification	Date Of Commencment Employment	Designation/ Nature of Duties	Remuneration (Rs. In Lacs)	Exprence (Years)	Name of the Last Employer
Ramesh Chander Khandelwal	71	BE (Mech.)	12.12.1994	Whole -time Director	162.12	49	Associate Pulp & Paper Mills Ltd.
Pramod Khadelwal	56	B.Com.(Hons) FCA	15.05.1995	Managing Director	162.12	33	Hindustan Unilever Ltd.
Dileep Kumar Gautam	61	MBA Marketing	01.01.2002	GM - Marketing	25.92	40	Khemka Ispat Limited
Ram Avtar Sharma	49	ACA	20.07.1998	Chief Financial Officer	11.23	27	Kumar Piyush & Co., Chartered Accountants
Tejender Pal Singh	50	B. Sc.	01.08.1997	Manager - Production	8.89	27	Khemka Ispat Limited
P N Vishwarkama	57	ITI	02.07.2005	Maintenance Incharge	8.29	36	Vikash Strips Limited
Narender Parkash Garg	50	MBA Marketing	01.02.2000	Manager - Marketing	7.65	23	-
Biteshwar Kumar Sharma	44	MBA Human Resource	01.04.1997	Manager P&A	7.54	25	-
Rakesh Aggarwal	52	B. Com	04.10.1993	Deputy Manager - Commercial	7.28	29	-
Dinesh Aggarwal	47	B.A	01.03.1997	Senior Executive - Marketing	3.82	25	-

b. List of employees of the Company employed throughout the financial year 2021-22 and were paid remuneration not less than Rs. 1.02 Crore per annum or Rs. 8.50 Lakh per month if employed for the part of the years:

Name	Age	Qualification	Date of Commencement Employment	Designation/ Nature Of Duties	Remuneration (`In Lacs)	Experience (Years)	Last Employment
Ramesh Chander Khandelwal	71	BE (Mech)	12.12.1994	Whole Time Director	162.12	49	Associate Pulp & Paper Mills Ltd.
Promod Khandelwal	56	B.Com(Hons.), FCA	15.05.1995	Managing Director	162.12	33	Hindustan Unilever Ltd.

Notes:

i. Remuneration does not include retirement benefits.
ii. Nature of Employment in all cases is contractual.
iii. None of the employee is covered under Rule 5(3)(viii) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
iv. None of the above employees is the relative of any director of the company.

For and behalf of the Board of Directors

Sd/-
Ramesh Chander Khandelwal
Chairman
DIN: 00124085

Place: New Delhi
Date : 13th July, 2022

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE

The company is engaged in the manufacture and sale of Cold Rolled Steel Strips and HRPO steel strips / coils. The company is thus operating in the steel sector. Products of the company are used by a wide range of user industries such as Auto Components, Consumer Durables, Electrical and Telecom equipment among others.

OPPORTUNITIES AND OUTLOOK

The objective of this report is to share the management's perspective on the outlook of the business of the company and the industry in which the company operates with reference to the external environment; as well as operating and financial performance, risks and opportunities and the adequacy of the internal control systems during the financial year 2021-22. This report should be read in conjunction with the company's financial statements together with the schedules and the notes thereto.

MACROECONOMIC ENVIRONMENT

The impact of two years of Covid-19 across the world has led to a weakened global economy as we enter the financial year 2022-23. The world is still struggling with new variants of covid-19 leading to re-imposition of restrictions in parts of China which in turn has led to supply chain disruptions across the world. This is causing shortages and consequently inflationary pressures in the global market, notably in Europe, the United States and most emerging economies. The geopolitical tensions caused by the Ukraine conflict has led to rise in energy and commodity prices, which has further exacerbated the inflation in the immediate aftermath and will prove to be a headwind to global growth in the medium term. The sanctions on Russia will present its impact on the world order and its fallout on the global economy will also gradually unfold.

Global growth is projected to slow down at around 3.2% this year largely reflecting the downgrades and revised estimates in the US, Europe and China. The lower than expected recovery of private consumption, the protracted supply chain disruption, high energy prices are likely to continue for longer and inflationary pressure is expected to persist, dimming the possibility of any sustainable improvement in the growth trajectory. Policy makers across the globe face challenging times ahead with a need to devise policies to curb the elevated inflationary pressures even while ensuring reasonable growth in their economies.

In the immediate neighbourhood, we are witnessing economies sinking into deep distress with Sri Lanka having declared itself bankrupt and facing civil strife on the one hand and countries like Pakistan, Nepal almost on the brink. Such developments do not augur well for India, being the immediate neighbours and how these will eventually affect the geopolitics of the South Asian region is yet to be gauged.

INDIAN ECONOMY

Even as both the developed as well as emerging economies of the word are struggling to stay afloat amidst the challenges brought in by the pandemic leading to disruptions in supply chains and surging inflation, the Indian Government brought in various policies and introduced several measures to mitigate the impact on economy. It implemented an aggressive vaccination programme encompassing manufacturing "atmanirbharta" in vaccines on the supply side to aggressively implementing and ensuring vaccination to all, thereby ensuring minimum chances of disruptions. The introduction of PLI scheme spanning a number of industries, increased thrust on infrastructure projects and soft incremental lending to stressed industries especially in the MSME sector have all bode well for the economy and the results are expected to be encouraging. With majority of the population fully vaccinated, the improvement in momentum pickup in the economy and the likely benefits of supply side reforms in the medium to long term in place, the economy is poised to grow at more than 8% in the ensuing year and thereafter too.

STEEL INDUSTRY

Steel industry globally has seen a reasonable increase of above 3.7 % in 2021 backed by gradual opening up of the economies, pent up demand catching up and gradual recovery of industries across economies. There has been a shift in consumer behavior who are looking at the option of using their own modes of transport and increase in demand for apartments which in turn augurs well for the steel industry.

It has been forecasted that steel demand would continue to increase and may reach about 1900 million Tons in 2022. This is based on the assumption that covid-19 will not have any major impact now with the world getting vaccinated and even if there is another wave, it is likely to cause much less disruption. It is further estimated that that steel production will get a major fillip, bolstered by pent up demand at the consumer level and revival of demand by user industry. The manufacturing sector's recovery has been more resilient to the new waves of covid-19 than expected. However there continues to be imbalances in the catch up by various sectors such as chip shortages and container availability among others which have caused volatility in the demand pattern as well as the prices of steel and it may be some time before these stabilize,

INDIA OUTLOOK

Amidst stresses being witnessed across developed and emerging economies of the world, the India outlook appears fairly encouraging. On the steel consumption and demand front, there is a visible upswing both on account of pent up demand getting released as well as shift in consumption behavior. This, coupled with the significant capital expenditure by the Government of India, has led to a V-shape recovery in demand in most steel markets, post survival of restrictions in Qtr-4, Financial Year 2021-22. Government spending in infrastructure projects such as airports, metro rail projects, highways has been very encouraging and is likely to continue to be key driver in steel demand.

RISKS, THREATS AND CONCERNS

We are passing through a challenging business environment and are exposed to various risks and uncertainties like never before. Covid-19 related disruptions are not entirely behind us. While the resurgence has prompted countries like China to re-impose restrictions, India with the extensive vaccination, is less likely to witness such restrictions, though this cannot entirely be ruled out.

The ongoing war in Easter Europe has also disrupted supply chains and has led to inflation in steel and other commodities leading in turn, to postponement of buying decisions by consumers, thereby affecting demand adversely. The price rise in steel has been way too steep, but is unlikely to sustain at that level. This however increases the possibility of heightened volatility and there is need to watch market developments closely,

The company is closely monitoring the situation on a continuous basis and taking proactive steps to mitigate any adverse impact on account of such volatility. The company has also established a system to closely monitor the financial health of the customers so as to mitigate any possibility of any distress there affecting the smooth working of the company.

FINANCIAL PERFORMANCE

(Rs. in Lakhs)

Particulars	For the year ended on 31.03.2022	For the year ended on 31.03.2021
Revenue from Operation	14225.70	9411.65
Other Income	124.01	82.32
Profit before Finance Cost	389.54	348.81
Finance Cost	13.81	5.60
Profit before Tax	375.73	343.21
Tax	93.39	86.47
Profit after Tax	282.34	256.74

HUMAN RESOURCES

People management is the backbone of your Company and it is regarded as one of the important resources for the success of Company. The Company strongly believes that the employees' welfare, development and their performance are important contributors to the Company. The Whistle Blower Policy plays an important role as a watchdog. The Company's total permanent employee strength as on 31st March, 2022 stood at 70. The Company continues to maintain open and cordial employee relations.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has adequate internal control system which is commensurate with the nature of its business and the size and complexity of its operations. This internal control system, its adequacy and its effectiveness is periodically reviewed by the Audit Committee. These systems have been designed to ensure optimal utilization of resources, accurate and timely reporting of financial transactions, complying with applicable statute and safeguarding the assets from unauthorised use. The Audit Committee also monitors the implementation of audit recommendations including those relating to strengthening of the company's risk management policies and systems.

KEY FINANCIAL RATIOS

Particulars	2021-22	2020-21
Current Ratio (in times)	3.36	3.15
Debt Equity Ratio (in times)	0.29	0.30
Debt Service Coverage Ratio (in times)	19.30	55.70
Return on Equity Ratio (in %)	8.63	8.49
Inventory Turnover Ratio (in times)	13.74	15.25
Trade Receivables Turnover ratio (in times)	5.37	3.80
Trade Payables Turnover ratio (in times)	524.40	401.95
Net Capital Turnover Ratio (in times)	4.82	3.53
Net Profit Ratio (in %)	1.98	2.73
Return on Capital Employed (in %)	9.30	9.52
Return on Investment (in %)	4.43	9.81

There is a significant change in Inventory Turnover and this is predominantly due to the substantial reduction in sales on account of lockdowns. The closing inventory is higher than previous year on account of steel price increase; this necessitated increase in bank borrowing which led to increase in Debt Equity ratio as well as decrease in Current Ratio However due to better working capital management your company was able to improve its Interest coverage ratio.

CAUTIONARY STATEMENT

Certain statements made in the management discussion and analysis report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors could make significant difference to the Company's operations. These include climatic and economic conditions affecting demand and supply, government regulations, taxation, pandemic and other natural calamities over which the Company does not have any direct control.

CORPORATE GOVERNANCE REPORT

In terms of Regulation 34(3) read with Section C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), a Report on Corporate Governance for the year ended 31st March, 2022 is presented below:

1. Company's Philosophy on Code of Governance

Your Company considers good Corporate Governance a pre-requisite for meeting the needs and aspirations of its stakeholders and firmly believes that the same could be achieved by maintaining transparency in its dealings, creating robust policies and practices, effective processes and systems with clear accountability, integrity, transparency governance practices and the highest standards of governance.

2. Board of Directors

The Board of Directors of the Company functions subject to the provisions of the Companies Act 2013("the Act"), Listing Regulations and Articles of Association of the Company. The primary role of the Board is that of trusteeship so as to protect and enhance stakeholders' value through its strategic supervision of the Company.

The Company is headed by a Board that exercises leadership, integrity and judgement in directing so as to achieve continuing prosperity and to act in the best interest of the Company. The Board plays a critical role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. The Board ensures that the Company complies with all relevant laws, rules, regulations, governance practices, accounting and auditing standards. It identifies key risk areas and key performance indicators of the Company's business and constantly monitor these factors.

The Board is entrusted with the ultimate responsibility of the management, general affairs direction and performance of the Company and has been vested with the requisite powers, authorities and duties.

i. Size and Composition of the Board

As on 31st March, 2022, the Board of Directors of the Company has a good and diverse mix of Executive and Non-Executive Directors comprised of four (4) directors including a Managing Director, Whole Time Director and two (2) independent directors including one independent woman director. However, the Board in its meeting held on 19th May, 2022 appointed Mr. Sachin Khurana as an Additional Non-Executive Independent Director.

The composition of Board of Directors is balanced in terms of specialisation in one or more areas. The Board of Directors takes into account the interest of all stakeholders while discharging its responsibilities and provides leadership and guidance to the Company's management while discharging its fiduciary responsibilities thereby ensuring that the management adheres to the high standards of ethics, transparency and disclosures.

The non-executive directors bring objective and independent perspective in the deliberations and decisions of the Board of Directors as they have a wider view of external factors affecting the Company and its business. These directors make a constructive contribution to the Company by ensuring fairness and transparency while considering the business plans devised by the management team.

The Company has an appropriate size of the Board for real strategic discussion and avails benefit of diverse experience and viewpoints. The composition of the Board of Directors is in conformity with the requirements of Regulation 17(1) of the Listing Regulations. Brief profile of Directors of the Company is available on the website of the Company at the weblink http://www.mcil.net/about.aspx.

ii. Board Meetings

The Board of Directors of the Company are vested with the responsibility to oversee the overall functioning of the Company and lay down policies to enable the Company to attain its objectives and achieve its vision. The Board meets at regular intervals to discuss and decide on Company / business policy and strategy in addition to the statutory and other matters.

The Board of Directors of the Company met (9) nine times during the financial year 2021-22 with clearly defined agenda circulated well in advance before each meeting.. The maximum time gap between any two consecutive meetings did not exceed 120 days. The details of board meetings held during the financial year 2021-22 are given below:

No. of Board Meetings of the F.Y. 2021-22	Board Meeting Date	Board Strength	No. of Directors Present	% of Attendance of Board Meeting
1	16.04.2021	5	4	80.00
2	30.06.2021	5	4	80.00
3	12.07.2021	6	5	83.33
4	10.08.2021	5	5	100.00
5	25.09.2021	5	5	100.00
6	11.11.2021	5	5	100.00
7	13.01.2022	5	5	100.00
8	11.02.2022	5	5	100.00
9	15.03.2022	4	4	100.00

Details of attendance of Directors at Board Meetings held during the period under review and at the last Annual General Meeting (AGM) held on 16th September, 2021, with particulars of their Directorships and Chairpersonship/Membership of Board Committees of other public limited companies and listed companies (as per the disclosures received from Directors) showing the position as on 31st March, 2022 are given below:

Name of Director	Mr. Pramod Khandelwal	Mr. Ramesh Chander Khandelwal	Mr. Satish Kumar Gupta	Mr. Santosh Khandelwal	Ms. Neha Gupta	Mrs. Rupali Aggarwal
Category	Managing Director	Whole Time Director	Independent Director	Independent Director	Independent Director	Independent Director
No. of Board Meetings held and attended	9 of 9	9 of 9	9 of 9	7 of 9	1 of 9	7 of 9
Attendance of last AGM (16th September, 2021)	Yes	Yes	Yes	Yes	NA	Yes
No. of Shares held in the Company	12,13,390	11,84,759	-	-	-	-
No. of Directorships held in other Companies *	NIL	NIL	NIL	NIL	NIL	NIL
No. of Committee(s) Membership/Chairpersonships held in other Companies #	NIL	NIL	NIL	NIL	NIL	NIL
Category of Directorship in other listed entities	-	-	-	-	-	-

* Excludes Directorship as Alternate Directorship, Foreign Companies, Private Companies and Companies under Section 8 of the Companies Act, 2013

In accordance with Regulation 26 of the Listing Regulations, memberships / chairpersonships of only Audit Committee and Stakeholders Relationship Committee of other Indian Public Limited Companies have been considered.

Notes:

a) Ms. Neha Gupta, Non-Executive Independent Director of the Company ceased to be the Director of the Company w.e.f. 2nd August, 2021.

b) Mr. Santosh Khandelwal, Non-Executive Independent Director of the Company ceased to be the Director of the Company w.e.f. 23rd February, 2022.

c) Mrs. Rupali Aggarwal was appointed as a Non-Executive Independent Director of the Company for a period of two (2) years w.e.f. 01st July 2021 to 30th June 2023.

d) None of the directors of the Company holds office of director at any point of time in more than ten (10) public companies including seven (7) listed companies.

e) None of the directors of the Company is a member in more than ten (10) committees or a chairperson of more than five (5) committees across all the companies in which he/she is a director. None of the whole time directors of the Company is serving as an independent director in more than three (3) listed companies.

f) None of the independent directors of the Company is serving as an independent director in more than seven (7) listed companies.

g) Both the Executive Directors i.e. Mr. Ramesh Chander Khandelwal, Chairman &Whole Time Director and Mr. Pramod Khandelwal, Managing Director of the Company are not related to each other.

h) The Non-Executive Directors did not have any material pecuniary relationship or transactions with the Company except the payment of sitting fees paid to them during the year.

i) The Company has not issued any convertible instrument till date, therefore, none of the Independent Directors hold any such instrument.

iii. Independent Directors

In the opinion of the Board, all the Independent Directors of the Company meet the criteria of Independence and is in conformity with the requirements of Schedule IV to the Act and Regulation 17 of the Listing Regulations and are independent to the management. At the beginning of each financial year, the Independent Directors submit a self-declaration, conforming their independence and compliance to various eligibility criteria, among other disclosures. All such declarations are placed before the Board for information and noting. None of the Independent Directors is related to the promoter or other Directors of the Company and do not have any material pecuniary relationship or transactions with the Company except the payment of sitting fees paid to them during the year. Ms. Neha Gupta and Mr. Santosh Khandelwal has resigned from the Company during the year 2021-22.

iv. Meeting of Independent Directors

During the financial year 2021-22, Independent Directors met once separately on 13th January, 2022 without the presence of Executive / Non Independent Directors and members of Management and evaluated:

a) The performance of Non Independent Directors, Managing Director, the Board and the Committees thereof;

b) The performance of the Chairman, taking into account the views of Executive and Non-Executive Directors; and

c) The quality, quantity and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

v. Performance Evaluation

Pursuant to the provisions of the Act and Listing Regulation, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees. The exercise was carried out through a structured evaluation process covering various aspects of the Board's

functioning such as adequacy of the composition of the Board and its Committees, leadership attribute of directors through vision and values, strategic thinking and decision making, adequacy of business strategy etc.

The performance evaluation of the Independent Directors was done by the entire Board excluding the Directors being evaluated. The performance evaluation of the Board as a whole and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

vi. Familiarization Programme for Independent Directors

Independent Directors are periodically updated by the Company with the Company's policies, business, on – going events and roles and responsibilities of the Directors. Executive Management, through presentations at Board and Committee Meetings, provides them regular updates on the Company including financial and business performance, operational highlights, business risks and their mitigation plans, new offerings, major clients, material litigations, regulatory compliance status and relevant changes in statutory regulations. Details of such familiarization programs are posted on the website of the Company at the web link http://www.mcil.net/investors.aspx.

vii. Key Board Skills, Expertise and Competencies

In pursuance of the Listing Regulations, the chart setting out the core skills / expertise/ competencies in the context of the Company's business and sector for it to function effectively as available with the Board of Directors and the names of directors who have such skills / expertise / competencies are as under:

S.No.	Name of Director	Area of Expertise
1.	Mr. Pramod Khandelwal	• Leadership • Management • Financial Expertise • Strategy Development and Implementation • Legal and Regulatory
2.	Mr. Ramesh Chander Khandelwal	• Leadership • Legal and Regulatory • Technical
3.	Mr. Satish Kumar Gupta	• Financial Expertise
4	Mr. Santosh Khandelwal	• Strategy Development and Implementation
5	Ms. Neha Gupta	• Financial Expertise
6.	Mrs. Rupali Aggarwal	• Legal and Regulatory

3. Committees of the Board of Directors

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework designed by the Board. They make specific recommendations to the Board on matters in their areas or purview. To enable better and more focused attention on the affairs of the Company, Board has constituted the statutory Committees namely Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The composition, quorum, terms of reference, etc. of the statutory committees are in line with the provisions of the Act and Listing Regulations. There was no instance during the year, where the Board had not accepted recommendation(s) of committee(s) of the board which is mandatorily required to be recommended by the committee(s) for the approval of the Board of Directors.

3.1 Audit Committee

A. Composition, Meetings and Attendance

Composition of the Audit Committee confirms the requirements of Section 177 of the Act and the Listing Regulations. There were six (6) Audit Committee meetings held during the financial year 2021-22 viz. 16th April, 2021, 30th June, 2021, 10th August, 2021, 25th September, 2021, 11th November, 2021 and 11th February, 2022.The time interval between any two consecutive Audit Committee meetings had not exceeded 120 days. The composition and the attendance of members at the Audit Committee meetings held during the financial year 2021-22, are given below:

Name of Director	Status	Category	No. of Meetings held and attended	% of Meetings attended
Mr. Satish Kumar Gupta	Chairman	Independent Director	6 of 6	100
Ms. Neha Gupta*	Member	Independent Director	1 of 6	16.66
Mr. Santosh Khandelwal*	Member	Independent Director	5 of 6	83.33
Mrs. Rupali Aggarwal**	Member	Independent Director	4 of 6	66.66

The necessary quorum was present at all the meetings.

All the members of the Committee are financially literate, and having the requisite expertise. Mr. Satish Kumar Gupta, Independent Director of the Company, chaired all the meetings held during the Financial Year 2021-22. The Company Secretary acts as the Secretary to Audit Committee. As and when required, other senior management personnel of the Company are invited to the Audit Committee meetings. The Chairperson of the Audit Committee was present in the last AGM of the Company to answer the queries of the shareholders.

*Ms. Neha Gupta and Mr. Santosh Khandelwal, Non-Executive Independent Director of the Company ceased to be the Member of the Committee w.e.f. 2nd August, 2021 and 23rd February, 2022 respectively

**Mrs. Rupali Aggarwal was appointed as a Member of the Committee w.e.f. 12th July 2021.

B. Terms of Reference

Audit Committee of your Company have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the audit committee and the information to be reviewed by the Audit Committee (as per the Act and Listing Regulations) includes the following:

- 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 them;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

  a) 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 Act;

  b) Changes, if any, in accounting policies and practices and reasons for the same;

  c) Major accounting entries involving estimates based on the exercise of judgment by management;

  d) Significant adjustments made in the financial statements arising out of audit findings;

  e) Compliance with listing and other legal requirements relating to financial statements;

  f) Disclosure of the related party transactions;

  g) Modified opinion(s) in the draft audit report;

- Scrutiny of inter-corporate loans and investments;
- 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 utilisation of proceeds of a public or rights issue and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Reviewing the utilization of loans and / or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- Mandatorily reviewing the following information :

    a) Management discussion and analysis of financial condition and results of operations;

    b) Management letters / letters of internal control weaknesses issued by the statutory auditors;

    c) Internal audit reports relating to internal control weaknesses;

    d) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and

    e) Statement of deviations:

(i) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32 (1)of the Listing Regulations.

(ii) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32 (7) of the Listing Regulations.

3.2 Nomination and Remuneration Committee

A. Composition, Meetings and Attendance

Composition of the Nomination and Remuneration Committee conforms to the requirements of Section 178 of the Act and the Listing Regulations. During the year, three (3) meetings of Nomination and Remuneration Committee were held on 30th June, 2021, 10th August, 2021 and 13th January, 2022. The composition and the attendance of members at the Nomination and Remuneration Committee meetings held during the financial year 2021-22, are given below:

Name of Director	Status	Category	No. of Meetings held and attended	% of Meetings attended
Mr. Satish Kumar Gupta	Chairman	Independent Director	3 of 3	100
Ms. Neha Gupta*	Member	Independent Director	1 of 3	33.33
Mr. Santosh Khandelwal*	Member	Independent Director	2 of 3	66.66
Mrs. Rupali Aggarwal**	Member	Independent Director	2 of 3	66.66

The necessary quorum was present at all the meetings.

*Ms. Neha Gupta and Mr. Santosh Khandelwal, Non-Executive Independent Director of the Company ceased to be the Member of the Committee w.e.f. 2nd August, 2021 and 23rd February, 2022 respectively

**Mrs. Rupali Aggarwal was appointed as a Member of the Committee w.e.f. 12th July 2021.

B. Terms of Reference

The Terms of Reference of Nomination and Remuneration Committee *inter-alia* includes:

a. To identify persons who are qualified to become Directors and who may be appointed in senior Management in accordance with the criteria laid down, recommend to the Board their appointment And removal and to carry out evaluation of performance of every Directors.

b. Formulation of the criteria for determining qualifications, positive attributes and independence of the Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

c. Determine/ review on behalf of Board of Directors of the Company the compensation package, service agreements and other employment conditions for Managing/Whole Time Director(s).

d. Devising a policy on diversity of Board of Directors.

e. Determine on behalf of the Board of Directors of the Company the quantum of annual increments / Incentives on the basis of performance of the Key Managerial Personnel.

f. Delegate any of its power/ function as the Committee deems appropriate to Senior Management of The Company.

g. Formulate, amend and administer stock options plans and grant stock options to Managing / Whole Time Director(s) and employees of the Company.

h. Delegate any of its power/ function as the Committee deems appropriate to Senior Management of The Company.

i. Consider other matters, as from time to time be referred to it by the Board.

C. Nomination and Remuneration Policy

The Nomination and Remuneration policy of your Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives. The Company endeavours to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed and variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the timely appraisal process.

The Nomination and Remuneration Policy of the Company has been disseminated on the website of the Company at the weblink http://www.mcil.net/investors.aspx.

D. Directors' Performance Evaluation Policy

The Nomination and Remuneration Committee has laid down the process and mechanism for evaluating the performance of the Board, its Committees, individual Directors and Chairman of the Board. The Board has carried out annual performance evaluation of the Board, its committees, individual Directors including the Chairman of the Board, as per its policy. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated.

3.3 Stakeholders Relationship Committee

A. Composition, Meetings and Attendance

Composition of the Stakeholders Relationship Committee, given hereunder, is in compliance with Section 178(5) of the Act and Listing Regulations. The Committee is chaired by Mr. Satish Kumar Gupta, Independent Director of the Company. There were five (5) Stakeholders Relationship Committee meetings held during the financial year 2021-22 viz. 16th April, 2021, 30th June, 2021, 10th August, 2021, 11th November, 2021 and 11th February, 2022.

The composition and the attendance of members at the Stakeholder Relationship Committee meetings held during the financial year 2021-22, are given below:

Name of Director	Status	Category	No. of Meetings held and attended	% of Meetings attended
Mr. Satish Kumar Gupta*	Chairman	Independent Director	4 of 5	80
Mr. Pramod Khandelwal	Member	Managing Director	5 of 5	100
Mr. Ramesh Chander Khandelwal	Member	Chairman & Whole Time Director	5 of 5	100
Mr. Santosh Khandelwal*	Member	Independent Director	1 of 5	20

The necessary quorum was present at all the meetings.

*Mr. Satish Kumar Gupta, Non-Executive Independent Director of the Company ceased to be the Member of the Committee and Mr. Santosh Khandelwal, Non-Executive Independent Director of the Company appointed as the Member of the Committee w.e.f. 11th November, 2021.

B. Terms of Reference

The role of the committee *inter-alia* includes the following:

i. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

ii. Review of measures taken for effective exercise of voting rights by shareholders.

iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

C. Name and Designation of Compliance Officer

In terms of Regulation 6 of Listing Regulations, Ms. Ayati Gupta, Company Secretary has been appointed as the Compliance Officer of the Company w.e.f. 30th November, 2020 held office till 09th April, 2022. Currently Ms. Aditi Singh is acting as Company Secretary & Compliance Officer of the Company effective from 28th May, 2022.

D. Stakeholders Grievance Redressal

The Secretarial Department and the Registrar and Share Transfer Agent of the Company attend all grievances received from the shareholders either directly or through SEBI Complaints Redress System (SCORES), Stock Exchanges and Registrar of Companies. Efforts are made to ensure that all the grievances of the shareholders are redressed expeditiously and satisfactorily.

Details of the complaints received from the shareholders and redressed upto their satisfaction during the financial year 2021-22 are as follows:

No. of complaints pending at the beginning of the financial year i.e. 1st April, 2021	NIL
No. of shareholders' complaints/correspondences received during the financial year	13
No. of complaints/ correspondences resolved during the financial year	13
Number of complaints not solved to the satisfaction of shareholders	NIL
Complaints/ correspondences pending at the end of the financial year i.e.31st March, 2022	NIL

4. Details of Remuneration of Executive Directors for the Financial Year 2021-22

Remuneration to Executive Directors is paid based on the recommendation of the Nomination and Remuneration Committee as approved by the Board and shareholders. The remuneration is a mix of fixed and variable and there is no Stock Option. The notice period is three months and there is no separate provision for payment of severance fees.

Name and Designation	Salary (Rupees in lacs)
Mr. Ramesh Chander Khandelwal - Chairman & Whole Time Director	162.12
Mr. Pramod Khandelwal - Managing Director	162.12

4.1 Details of Sitting Fees paid to Independent Directors for the Financial Year 2021-22

The Independent Directors of the Company are entitled to the sitting fees of Rs.2,000/- each for attending each Board/ Committee Meetings of the Company, the details for the Financial Year ended 31st March, 2022 are as under:-

Name	Mr. Satish Kumar Gupta	Ms. Neha Gupta	Mr. Santosh Khandelwal	Mrs. Rupali Aggarwal
Sitting Fees	44,000	6,000	30,000	26,000
Total	**44,000**	**6,000**	**30,000**	**26,000**

a) Ms. Neha Gupta, Non-Executive Independent Director of the Company ceased to be the Director of the Company w.e.f. 2nd August, 2021.

b) Mr. Santosh Khandelwal, Non-Executive Independent Director of the Company ceased to be the Director of the Company w.e.f. 23rd February, 2022.

c) Mrs. Rupali Aggarwal was appointed as a Non-Executive Independent Director of the Company for a period of two (2) years w.e.f. 01st July 2021 to 30th June 2023.

Except for the above, there has been no pecuniary relationship or transactions of the Non-Executive Independent Directors-vis-à-vis the Company during the year under review.

5. General Body Meetings

Details of last three Annual General Meetings of the Company are as given below:

Financial Year	Day, Date and Time of Meeting	Venue	Special Resolutions passed
2018-2019	Tuesday, 24th September, 2019 at 10:30 a.m. (IST)	Hotel – The Legend INN, E-4, East of Kailash, New Delhi - 110065	N/A
2019-2020	Tuesday, 29th September, 2020 at 11:30 a.m. (IST)	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") Deemed Venue for Meeting: Registered Office: 912, Hemkunt Chambers, 89, Nehru Place, New Delhi -110 019	To approve the limits for loans and investments by the Company
2020-2021	Thursday, 16th September, 2021 at 12:30 p.m. (IST)	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") Deemed Venue for Meeting: Registered Office: 912, Hemkunt Chambers, 89, Nehru Place, New Delhi -110 019	1. To re-appoint Mr. Ramesh Chander Khandelwal (DIN:00124085) as Whole-time Director and fix his Remuneration. 2. To re-appoint Mr. Pramod Khandelwal (DIN: 00124082) as Managing Director and fix his remuneration.

No Special Resolution was passed through Postal Ballot during financial year 2021-22. Further, no Special Resolution is proposed to be passed through Postal Ballot as on the date of this Report.

6. Means of Communication

The Quarterly/Half Yearly/Annual Financial Results of the Company are announced within the time frame specified in the SEBI Listing Regulations. These are forwarded to BSE Limited, where the Company's shares are listed and also published in one leading national (English) Financial Express Paper and in one vernacular (Hindi) Jansatta Paper. The Financial Results are also displayed on the Company's website at the web link http://www.mcil.net/investors.aspx and website of Stock Exchange www.bseindia.com.

Further, company's website www.mcil.net contains separate dedicated section 'Investors' where the information for shareholders such as Annual Report, Shareholding Pattern and Corporate Governance Report etc. are available in a user friendly manner.

7. General Shareholder Information

(i) 28th Annual General Meeting

Venue	VC/OAVM: Deemed Venue for Meeting: Registered Office: 912, Hemkunt Chambers, 89, Nehru Place, New Delhi -110 019
Day, Date and Time	Wednesday , 17th August, 2022 at 12.30 P.M. IST

(ii) Financial Year: 1st April, 2022 to 31st March, 2023

Tentative Calendar for approval of Financial Results is given below

30th June, 2022	:	2nd week of August, 2022
30th September, 2022	:	2nd week of November, 2022
31st December, 2022	:	2nd week of February, 2023
31st March, 2023	:	4th week of May, 2023
Annual General Meeting	:	August / September, 2023

(iii) Unclaimed Dividends and Transfer to Investor Education and Protection Fund (IEPF)

Pursuant to Section 124 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all the dividend, which remains unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account of the Company, shall be transferred to IEPF. Further, according to Section 124(6) of the Act and rules made there in, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to the demat account of IEPF Authority.

It may be noted that the unclaimed dividend of Rs. 5,90,658/- for the financial year 2013-14 declared on September 23, 2014 along with 5,064 shares have been transferred to the IEPF in accordance with the applicable provisions of the Act read with relevant rules made there under within the prescribed time limit. The details of such unclaimed dividend and shares transferred to the IEPF are available on the Company's Website i.e. http://www.mcil.net/contact.aspx. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

The shares and unclaimed dividend transferred to the IEPF can however be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The Member/Claimant is required to make an online application to the IEPF Authority in Form No. IEPF -5 (available on www.iepf.gov.in) along with requisite fees as decided by the IEPF Authority from time to time. The shareholder, who have not yet claimed any of their dividends which is not yet transferred to IEPF, are requested to contact the Company / RTA of the Company for claiming the same.

(iv) Listing on Stock Exchange:

The name and addresses of the stock exchange at which the equity shares of the Company are listed and the respective scrip code is as under:

S. No.	Name of the Stock Exchange	Scrip Code	Trading Symbol	ISIN
1.	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	531810	METALCO	INE161E01014

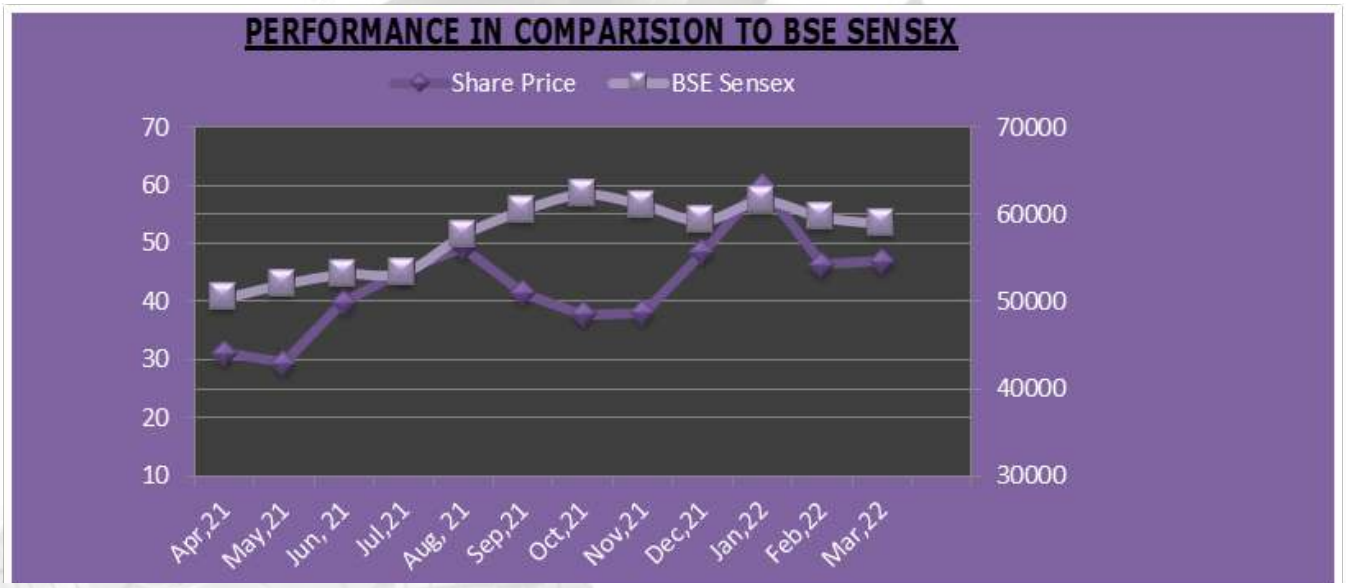
The Annual Listing fees for the financial year 2022-23 has been duly paid to the said Stock Exchange within the prescribed time.

(v) Market Price Information:

The reported high and low share price during the year ended 31st March, 2022 on BSE, where your Company's shares are traded vis-à-vis BSE Sensex are given below:

Month	BSE		BSE Sensex	
	High	Low	High	Low
April, 2021	31.15	25.10	50375.77	47204.50
May, 2021	29.40	26.50	52013.22	48028.07
June, 2021	39.90	28.45	53126.73	51450.58
July, 2021	45.30	31.15	53290.81	51802.73
August, 2021	49.35	30.05	57625.26	52804.08
September, 2021	41.50	34.10	60412.32	57263.90
October, 2021	37.85	33.15	62245.43	58551.14
November, 2021	38.00	29.05	61036.56	56382.93
December, 2021	48.50	29.00	59203.37	55132.68
January, 2022	59.90	40.25	61475.15	56409.63
February, 2022	46.45	36.95	59618.51	54383.20
March, 2022	47.00	38.55	58890.92	52260.82

[Source: www.bseindia.com]



(vi) Registrar &Share Transfer Agent (RTA):

M/s. Link Intime India Private Limited
Noble Heights, 1st Floor, NH-2, C-1 Block LSC,
Near Savitri Market, Janakpuri
New Delhi - 110058
Phone No.: 011-41410592, 93, 94
Telefax: 011-41410591
E-mail: delhi@linkintime.co.in

(vii) Share Transfer System

All the requests received from shareholders for transfer / transmission etc. are processed by the Share Transfer Agent of the Company within the stipulated time as prescribed in the Listing Regulations or in any other applicable law.

(viii) Disclosure of commodity price risks or foreign exchange risk and hedging activities: Not Applicable

(viii) Share Capital Reconciliation Audit

The Company has engaged a qualified practicing Company Secretary to carry out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital of the Company. The audit report confirms that the total issued / paid -up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

(ix) Shareholding:

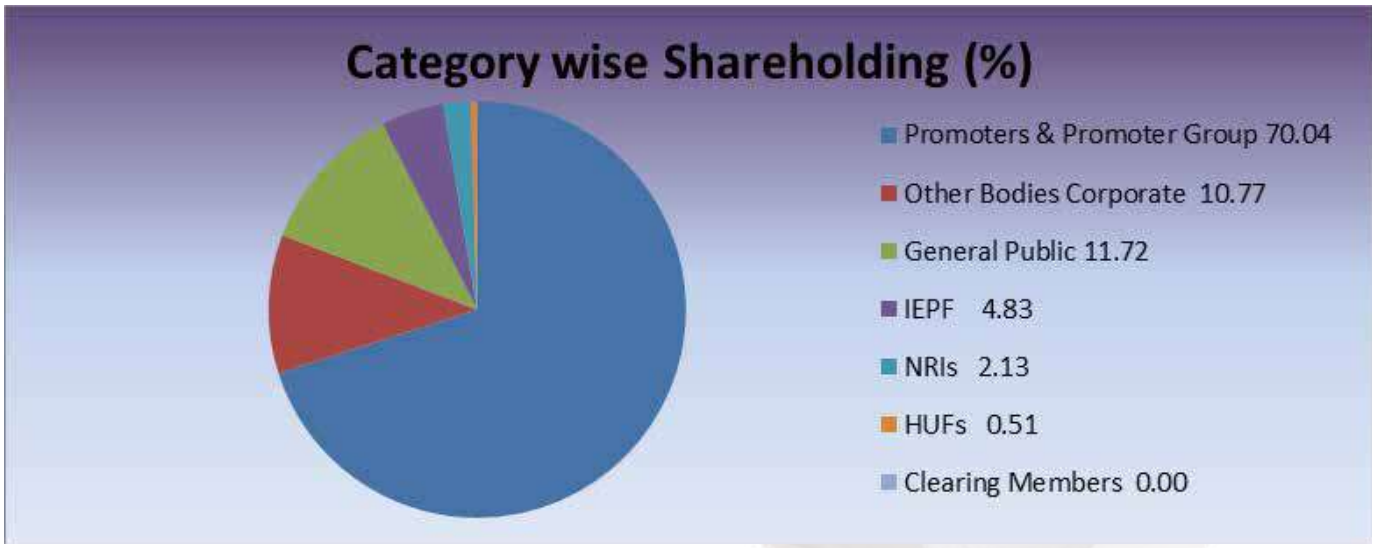
A. **Distribution of Shareholding**

The distribution of shareholding as on 31st March, 2022 was as follows:

Group of Shares	Shareholders		No. of Shares	
	Number of Shareholders	% to total Shareholders	Shares	% of Total Share Capital
1-500	1290	82.80	121858	1.66
501-1000	104	6.68	87275	1.19
1001-2000	57	3.66	89804	1.23
2001-3000	28	1.80	68969	0.94
3001-4000	15	0.96	54842	0.75
4001-5000	11	0.70	51763	0.71
5001-10000	20	1.28	147438	2.01
10001- Above	33	2.12	6704851	91.51
TOTAL	**1,558**	**100.00**	**73,26,800**	**100.00**

B. **Shareholding Pattern as on 31st March, 2022**

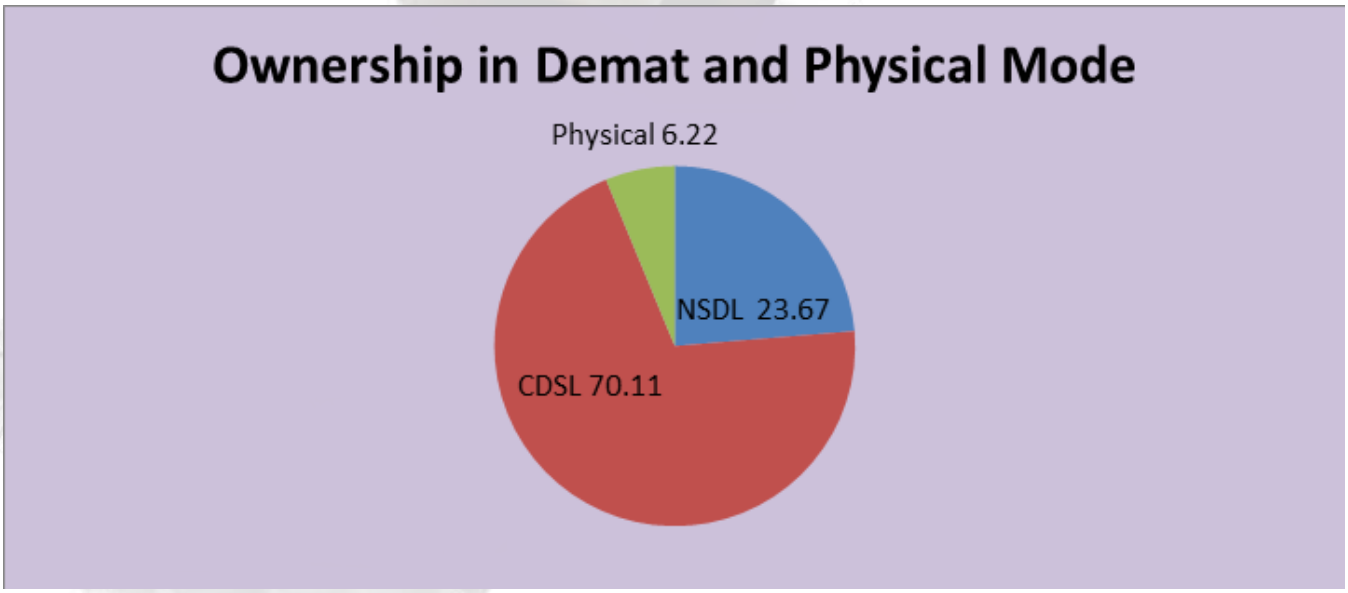
S. No.	Category	No. of Shares held	% of Shareholding
1	Promoters & Promoter Group	51,31,589	70.04
2	Other Bodies Corporate	7,89,091	10.77
3	General Public	8,58,512	11.72
4	Investor Education and Protection Fund (IEPF)	3,54,038	4.83
5	Non-Resident Indians (NRIs)	1,56,347	2.13
6	Hindu Undivided Family (HUFs)	37,145	0.51
7	Clearing Members	78	0.00
	GRAND TOTAL	**73,26,800**	**100.00**



(x) Dematerialization of shares and liquidity

The Equity shares of the Company are compulsorily traded in demat form and are available for trading under both the Depository Systems in India – National Securities Depository Limited (the "NSDL") and Central Depository Services (India) Limited (the "CDSL"). As on 31st March, 2022, out of the total of 73,26,800 shares of the Company, 68,70,959 shares constituting 93.78% of the total Share Capital, were in demat form. Details of the Demat and Physical Shareholding of the Company are as under:

Particulars	Total Shares	Percentage (%)
Shares in dematerialized form with NSDL	17,34,218	23.67
Shares in dematerialized form with CDSL	51,36,741	70.11
Physical	4,55,841	6.22
Total	**73,26,800**	**100.00**



(xi) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on Equity:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence, as on 31st March, 2022, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

(xii) Location of the Plant:

Plot No. -113, HSIIDC Industrial Estate, Sector – 59, Faridabad – 121 004, Haryana

(xiii) Credit Rating

Acuité has reaffirmed long-term rating of 'ACUITE BBB' (read as ACUITE BBB) and short term rating of 'ACUITE A3+' (read as ACUITE A three plus) on the bank facilities of the Company. The outlook is 'Stable'.

8. Other Disclosures

i. Related Party Transactions

The particulars of transactions between the Company and its related parties are as per the Indian Accounting Standard 24 "Related Party Disclosures" prescribed by the Companies (Indian Accounting Standards) Rules, 2015 and are disclosed in the Annual Accounts (Note No. 33). During the year, the Company had taken omnibus approval from Audit Committee for all the related party transactions. There were no transactions with related parties during the year, which were not in the normal course of business as well as not on an arm's length basis. The policy on dealing with Related Party Transactions is available on the website of the Company at the web link http://www.mcil.net/investors.aspx.

ii. Compliances

The Company has complied with all the applicable provisions of Listing Regulations, other guidelines /regulations issued by the Securities and Exchange Board of India (SEBI) and applicable provisions of other statutes. The Company has complied with all the mandatory requirements as per the provisions of Regulation 34 and Schedule V of the Listing Regulations.

Your Company is fully compliant with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations, as applicable and compliance reports on Corporate Governance in the requisite formats, have been submitted to the concerned stock exchanges.

There have been no instances of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any such other statutory authority.

iii. Vigil Mechanism / Whistle Blower Policy

As per the provisions of Section 177(9) of the Act and Regulation 22 of the Listing Regulations, the Company is required to establish a Vigil Mechanism for Directors and employees to report genuine concerns. The Company has a Policy for Prevention, Detection and Investigation of Frauds and Protection of Whistle blower ("the Whistle blower Policy") and the details of the Whistle blower Policy are provided in the Report on Corporate Governance forming part of this Report. This policy encourages the employees, to come forward and report genuine concerns about unethical behaviour, actual or suspected frauds to Ombudsman / Audit Committee. The identity of the reporting employee is kept confidential. The matter is investigated thoroughly and the findings are reported to the Audit Committee for proper actions. During the financial year no employee was denied access to the Audit Committee. The policy is available on the website of the Company at the web link http://www.mcil.net/investors.aspx.

iv. Mandatory and Non – Mandatory Compliance

The Board of Directors periodically reviews the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with the mandatory requirements in respect of Corporate Governance to the extent applicable as required under Listing Regulations.

In addition, the Company has also adopted the following non-mandatory requirements under the Listing Regulations as on 31st March, 2022 to the extent mentioned below:

- The Company has separate posts of Chairman and Managing Director.
- The Internal Auditors report directly to the Audit Committee of the Company.
- The Company is already in No Audit Qualifications regime.

v. Proceeds from Public Issues, Right Issues, Preferential Issues etc.

During the financial year ended 31st March, 2022 the Company has not raised any money from public issues, right issues, preferential issues etc.

vi. Fees paid to Auditors and firms / entities in its network

The details of total fee paid/payable by the Company for the financial year 2021-22 to M/s. Vinod Kumar & Associates, Chartered Accountants and M/s Mehra Goel & Co., Chartered Accountants, Auditors are as under:

Particulars	Amount (Rs. in Lakhs)*
Audit Fee (including limited review of quarterly results)	5.55
Tax Audit Fee	0.95
Total	**6.50**

*The fees is exclusive of taxes.

vii. Sexual Harassment of Women at Workplace

No complaint was filed with the Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the financial year ended 31st March, 2022. Further, no complaint was pending with the Company as at the beginning and end of the Financial Year 2021-22 under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

viii. Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account

The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/ bonus/right issues as at 31st March 2022. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters are not applicable.

ix. Prevention of Insider Trading

As per SEBI (Prohibition of Insider Trading) Regulations, 2015 which became effective from 15th May 2015, the Company has *inter alia* devised and adopted Code of Conduct to regulate, monitor and report trading in Company's securities by persons having access to unpublished price sensitive information of the Company. Company had amended the Code of conduct (Insider Trading) and Code of fair disclosure (Insider Trading), Inserted by Securities and Exchange Board of India, as amended from time to time. Company Secretary is the Compliance Officer for the purpose of this code. During the year there has been due compliance of the code.

x. Certificate on Compliance with Code of Conduct

In compliance with the Listing Regulations and the Companies Act, 2013, the Company has adopted the Code of Conduct and Ethics ("the Code"). The Code is applicable to the members of the Board, the executive officers and all employees of the Company. All members of the Board, the executive officers and senior officers have affirmed compliance to the Code as on 31st March, 2022. A declaration to this effect, signed by the Managing Director is attached to this Report.

xi. CEO and CFO Certification on Financial Reporting and Internal Control

The Managing Director and Chief Executive Officer (MD&CEO) and the Chief Financial Officer (CFO) of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations, copy of which is attached to this Report. The MD and CEO and the CFO also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

xii. Certificate of Compliance with the Corporate Governance requirements

Certificate from the Practicing Company Secretary, A Abhinav & Associates, confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.

xiii. No Disqualification Certificate from Company Secretary in Practice

Certificate from A Abhinav & Associates, Practising 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

Address for Correspondence

a. For any complaints relating to non-receipt of shares after transfer, transmission, change of address, mandate etc., dematerialization of shares or any other query relating to shares shall be forwarded to the Share Transfer Agent directly at the address given hereunder. Members are requested to provide complete details regarding their queries quoting folio number/DP ID no. /Client ID No., number of shares held etc.

M/s. Link Intime India Private Ltd.

Noble Heights, 1st Floor, NH-2, C-1 Block LSC,
Near Savitri Market, Janakpuri, New Delhi - 110058
Phone No.: 011-41410592, 93, 94
Telefax: 011-41410591
E-mail: delhi@linkintime.co.in

b. For any query on any point in Annual Report, non-receipt of Annual Report, non-receipt of dividend etc., the complaint should be forwarded to the attention of Ms. Aditi Singh, Company Secretary & Compliance Officer of the Company at the following address:

Metal Coatings (India) Limited

912, Hemkunt Chambers 89, Nehru Place, New Delhi – 110019
Tel: 011-41808125
E-mail: info@mcilindia.net
Website: www.mcil.net

Members can also register their complaints at cs@mcilindia.net, an email ID, designated by the Company for the purpose of registering complaints by investors, in compliance of Regulation 6(2) (d) of Listing Regulations.

For and behalf of the Board of Directors

Sd/-
Ramesh Chander Khandelwal
Chairman
DIN: 00124085

Place: New Delhi
Date : 13th July, 2022

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

This is to certify that the Board Members and the Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2022 as provided under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Metal Coatings (India) Limited

Sd/-
Pramod Khandelwal
Managing Director
DIN: 00124082

Place: New Delhi
Date: 7th April 2022

CEO/CFO CERTIFICATION

CEO & CFO Compliance Certification pursuant to Regulation 17(8) of
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors
Metal Coatings (India) Limited
912, Hemkunt Chambers,
89, Nehru Place, New Delhi – 110019

A. We have reviewed financial statements and the cash flow statement of Metal Coatings (India) Limited for the year ended 31st March, 2022 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2022 which are fraudulent, illegal or volatile of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:

1. That there has not been any significant change in internal control over financial reporting during the year under reference;
2. That there has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
3. That we are not aware of any instance during the year of significant fraud with the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
(Pramod Khandelwal)
Managing Director & CEO
DIN: 00124082

Sd/-
(R. A. Sharma)
Chief Financial Officer

Place: New Delhi
Date: 28th May, 2022

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

Practicing Company Secretary's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

To,

The Members,

Metal Coatings (India) Limited

CIN: L74899DL1994PLC063387

912, Hemkunt Chambers 89,

Nehru Place New Delhi – 110019

I have examined the compliance of conditions of corporate governance by **M/s Metal Coatings (India) Limited** ("the Company") for the year ended 31st March, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR').

Management's Responsibility for Compliance

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Our Responsibility

My examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. I have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

In my opinion and to the best of my information and according to the explanations given to me, and the representation made by Directors and the management of the Company, I certify that the Company has compiled with the conditions of corporate governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D and E of Schedule V of the Listing Regulations during the year ended 31st March 2022. I further state that such compliances are 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.

Restriction on use

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For A Abhinav & Associates
(Company Secretaries in Practice)

Sd/-
CS Abhinav Agarwal
ACS No.: 11894 C.P. No.: 17590

Date: 13/07/2022
Place: Gurugram

UDIN: F011894D000618478

Note:

The management has confirmed that the records submitted to me are true and correct.

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,
Metal Coatings (India) Limited
CIN: L74899DL1994PLC063387
912, Hemkunt Chambers 89,
Nehru Place New Delhi – 110019

I have examined the following:

1. Declarations of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act'),

2. Disclosures of concern or interests as required under Section 184 of the Act (Hereinafter referred to as 'relevant documents')

as submitted by the Directors of M/s Metal Coatings (India) Limited ('the Company) bearing CIN:L74899DL1994PLC063387 and having registered office at 912, Hemkunt Chambers 89, Nehru Place, New Delhi-110019, to the Board of Directors of the Company ('the Board') for the Financial Year ended on 31st March, 2022 and relevant registers, records, forms and returns maintained by the Company and as made available to me for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended vide notification no SEBI/LAD/NRO/GN/2018/10 dated May 9, 2018 issued by SEBI.

Based on my examination and such other verifications carried out by me as deemed necessary and adequate (including Directors Identification Number (DIN) status at the portal www.mca.gov.in), in my opinion and to the best of my information and knowledge and according to the explanations provided to me by the Company, its officers and authorized representatives, I hereby certify that none of the Directors on the Board of the Company, as listed hereunder for the Financial Year ending 31st March, 2022, have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such other statutory authority.

Sr. No.	Name of Director	DIN	Date of Appointment in the Company*
1.	Pramod Khandelwal	00124082	15/05/1995
2.	Ramesh Chander Khandelwal	00124085	12/12/1994
3.	Satish Kumar Gupta	03558083	24/06/2011
4.	Rupali Aggarwal	08740470	30/06/2021

****Date of appointment is taken from MCA***

Ensuring the eligibility 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.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31st March, 2022.

For A Abhinav & Associates
(Company Secretaries in Practice)

Sd/-

CS Abhinav Agarwal
ACS No.: 11894 | C.P. No.: 17590

Date: 13/07/2022
Place: Gurugram
UDIN: F011894D000618467

Note:

The management has confirmed that the records submitted to me are true and correct.

Independent Auditors' Report

To the Members of
METAL COATINGS (INDIA) LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **Metal Coatings (India) Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and 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 Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, and its profit (including other comprehensive income), 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 Act. Our responsibilities under those SAs 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, 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 in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Other Matter

The comparative Ind AS financial statements for the year ended 31st March, 2021 included in the accompanying Ind AS financial statements was audited by predecessor auditor, whose audit report dated 30th June, 2021 had expressed Un-modified opinion. Our opinion is not modified in respect of this matter.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Ind AS financial statements and our auditors' 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have per-

formed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility and those charged with governance for the Ind AS Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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 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 statements 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 and Board of Directors are 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.

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Ind AS 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 Ind AS 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 auditors' 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.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows 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 Ind AS specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

   (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations as at 31st March 2022 on its financial position in its Ind AS financial statements - Refer Note 34 to the Ind AS financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

      iv. (a) The management has represented that, to the best of its knowledge and 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

b. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or

- on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures as 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 (iv) (a) and (iv) (b) above contain any material misstatement.

v. The company has not declared and paid any dividend during the year and has not proposed final dividend for the year. Accordingly, reporting in this regard is not applicable to the Company.

3. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid/ provided by the Company to its directors during the current year is in accordance with the provisions of Section 197 read with Schedule V of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For Mehra Goel & Co.
Chartered Accountants
FRN-000517N

Vaibhav Jain
Partner
M.No. 515700
UDIN: 22515700AJVCQC7745

Date: 28th May, 2022
Place: New Delhi

Annexure A to the Independent Auditors' Report

With reference to the **Annexure A** referred to in paragraph 1 under '**Report on Other Legal and Regulatory Requirements**' section of the Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31st March 2022, we report the following:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.

(i) (a) (B) The Company do not have Intangible assets during the year. Accordingly, Clause 3(i) (a) (B) of the Order is not applicable.

(b) The Property, Plant and Equipment have been physically verified in a phased manner by the management at reasonable intervals and no material discrepancies have been noticed on physical verification as confirmed by the management. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Ind AS financial statements are held in the name of the 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 its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company has been regular in following the procedures of physical verification of inventories which is reasonable and adequate in relation to the size of the company and the nature of its business. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.

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

(a) (A) The company do not have any subsidiaries, joint ventures and associates during the year. Accordingly, clause (iii) (a) (A) is not applicable.
(B) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans to parties other than subsidiaries and details for the same mentioned below:

Particulars	Amount (In Lakhs)
Aggregate amount during the year - Others (loan to employees)	7.15
Balance outstanding as at balance sheet date - Others (loan to employees)	6.49

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the terms and conditions of the grant of loans provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal has been stipulated and the repayments or receipts have been regular. The loans to employees are interest free as per policy of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.

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

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

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made, securities and guarantees given.

(v) The Company has not accepted any deposit from the public. Accordingly, Clause 3(v) of the Order is not applicable.

(vi) On the basis of records produced, we are of the opinion that prima facie cost records and accounts prescribed by the central government under section 148 of the act in respect of the products of "the company" covered under the rules under said section have been maintained. However, we are neither required to carry out nor have carried out any detailed examination of such accounts and records.

(vii) a According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31st March 2022 for a period of more than six months from the date they became payable.

b. According to the information and explanations and records of the company, the particulars of statutory dues referred to in sub-clause (a) as at 31st March, 2022 which have not been deposited on account of a dispute, are as follows:

Nature of statute	Nature of the dues	Period to which the amount relates	Forum where dispute is pending	Amount (Rs. in lakhs)
Income Tax Act, 1961	Income Tax	AY 2012-13	Assessing Officer	2.43
Income Tax Act, 1961	Income Tax	AY 2013-14	Assessing Officer	0.48
Income Tax Act, 1961	Income Tax	AY 2016-17	Assessing Officer	0.28

(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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long-term purposes.

(e) According to the information and explanations given to us and on an overall examination of the Ind AS financial statements of the Company, the company do not have any subsidiaries, associates or joint ventures during the year. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, the company do not have any subsidiaries, associates or joint ventures during the year. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of our audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us, the company has not received whistle blower com plaints during the Year. Accordingly, clause (xi) (c) is not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, clause (xii) (a) to (xii) (c) is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any

material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, Section 135 of the Companies Act 2013 is not applicable to the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For Mehra Goel & Co.
Chartered Accountants
FRN-000517N

Vaibhav Jain
Partner
M.No. 515700
UDIN: 22515700AJVCQC7745

Date: 28th May, 2022
Place: New Delhi

Annexure B to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls 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 Metal Coatings (India) Limited ("the Company") as of 31st March 2022 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Ind AS 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 with reference to Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. 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 with reference to Ind AS financial statements 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 control system with reference to Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of internal financial controls with reference to Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS 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 with reference to Ind AS financial statements.

Meaning of Internal Financial Controls with reference to Ind AS Financial Statements

A company's internal financial control with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Ind AS financial statements 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 Ind AS 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to Ind AS financial statements, 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 with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at 31st March 2022, based on the internal control with reference to Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Mehra Goel & Co.
Chartered Accountants
FRN-000517N

Vaibhav Jain
Partner
M.No. 515700
UDIN: 22515700AJVCQC7745

Date: 28th May, 2022
Place: New Delhi

METAL COATINGS (INDIA) LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	457.49	503.74
Deferred Tax Assets (Net)	3	50.81	41.66
Other non-current assets	4	12.19	10.52
Total Non-Current Assets		**520.49**	**555.92**
Current Assets			
Inventories	5	1,138.46	789.06
Financial Assets			
- Trade Receivables	6	2,759.16	2,534.74
- Cash and Cash Equivalents	7	7.65	523.97
- Other Bank Balances	8	24.74	38.19
- Loans	9	6.49	6.47
Current Tax Assets (Net)		51.42	33.25
Other Current Assets	10	437.56	158.62
Total Current Assets		**4,425.48**	**4,084.30**
Total Assets		**4,945.97**	**4,640.22**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11	732.68	732.68
Other Equity	12	2,664.28	2,415.76
Total Equity		**3,396.96**	**3,148.44**
LIABILITIES			
Non-Current Liabilities			
Provisions	13	230.98	197.17
Total Non-Current Liabilities		**230.98**	**197.17**
Current Liabilities			
Financial Liabilities			
- Borrowings	14	972.73	949.63
- Trade Payables			
(a) total outstanding dues of Micro and Small enterprises	15	11.74	11.04
(b) total outstanding dues of creditors other than Micro and Small enterprises	15	17.34	8.57
- Other Financial Liabilities	16	92.61	95.58
Other Current Liabilities	17	29.68	69.03
Provisions	18	193.93	145.30
Current Tax Liabilities (Net)		-	15.46
Total Current Liabilities		**1,318.03**	**1,294.61**
Total Liabilities		**1,549.01**	**1,491.78**
Total Equity and Liabilities		**4,945.97**	**4,640.22**
Significant Accounting Policies	1		
See accompanying notes to the financial statements	2 to 40		

In terms of our annexed report of even date

For Mehra Goel & Co.
Chartered Accountants
FRN No. 000517N

Vaibhav Jain
Partner
Membership No. 515700

Date : 28.05.2022
Place : New Delhi

For and on behalf of the Board of Directors

Ramesh Chander Khandelwal
Chairman & Whole -time Director
DIN : 00124085

Pramod Khandelwal
Managing Director
DIN : 00124082

Aditi Singh
Company Secretary
PAN : EWRPS6390N

Ram Avtar Sharma
CFO
PAN : AMTPS3388J

METAL COATINGS (INDIA) LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31.03.2022	For the year ended 31.03.2021
INCOME			
Revenue from Operations	19	14,225.70	9,411.65
Other Income	20	124.01	82.32
Total Income		**14,349.71**	**9,493.97**
EXPENSES			
Cost of Materials Consumed	21	12,686.91	7,756.15
Changes in Inventories of Finished Goods, and Work in Progress	22	(270.74)	(71.77)
Employee Benefits Expense	23	644.22	639.74
Finance Costs	24	13.81	5.60
Depreciation and Amortisation Expense	2	47.34	51.58
Other Expenses	25	852.44	769.46
Total Expenses		**13,973.98**	**9,150.76**
Profit/ (loss) before Tax		**375.73**	**343.21**
Tax Expense			
a) Current Tax	26	91.17	111.39
b) Deferred Tax	3	2.22	(24.92)
Total Tax Expenses		**93.39**	**86.47**
Profit for the year		**282.34**	**256.74**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss	23.2	(45.19)	(10.41)
(ii) Income tax relating to items that will not be reclassified to profit or loss		11.37	2.62
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
Total Other Comprehensive Income for the year		**(33.82)**	**(7.79)**
Total Comprehensive Income for the year (Comprising profit and other Comprehensive Income)		**248.52**	**248.95**
Earnings per equity share of face value of Rs. 10 each			
a) Basic (Rs.)	27	3.85	3.50
b) Diluted (Rs.)	27	3.85	3.50
Significant Accounting Policies	1		
See accompanying notes to the financial statements	2 to 40		

In terms of our annexed report of even date

For Mehra Goel & Co.
Chartered Accountants
FRN No. 000517N

Vaibhav Jain
Partner
Membership No. 515700

Date : 28.05.2022
Place : New Delhi

For and on behalf of the Board of Directors

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METAL COATINGS (INDIA) LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

A. EQUITY SHARE CAPITAL (₹ in Lakhs)

Balance at the beginning of the reporting period i.e. 01st April, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year 2021-22	Balance at the end of the reporting period i.e. 31st March, 2022
732.68	-	732.68	--	732.68

Balance at the beginning of the reporting period i.e. 01st April, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the year 2020-21	Balance at the end of the reporting period i.e. 31st March, 2021
732.68	-	732.68	--	732.68

B. OTHER EQUITY (₹ in Lakhs)

	Reserves & Surplus				
Particulars	**Capital Reserve**	**Security Premium**	**General Reserve**	**Retained Earnings**	**Total**
Balance at the beginning of the reporting period i.e. 1st April, 2021	6.14	135.59	26.16	2,247.87	2,415.76
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the current reporting period	6.14	135.59	26.16	2,247.87	2,415.76
Total Comprehensive Income for the year	-	-	-	248.52	248.52
Dividends	-	-	-	-	-
Transfer to / (from) retained earnings	-	-	-	-	-
Balance at the end of the reporting period i.e. 31st March, 2022	6.14	135.59	26.16	2,496.39	2,664.28

	Reserves & Surplus				
Particulars	**Capital Reserve**	**Security Premium**	**General Reserve**	**Retained Earnings**	**Total**
Balance at the beginning of the reporting period i.e. 1st April, 2020	6.14	135.59	26.16	1,998.92	2,166.81
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	6.14	135.59	26.16	1,998.92	2,166.81
Total Comprehensive Income for the year	-	-	-	248.95	248.95
Dividends	-	-	-	-	-
Transfer to / (from) retained earnings	-	-	-	-	-
Balance at the end of the reporting period i.e. 31st March, 2021	6.14	135.59	26.16	2,247.87	2,415.76

In terms of our annexed report of even date

For Mehra Goel & Co.
Chartered Accountants
FRN No. 000517N

Vaibhav Jain
Partner
Membership No. 515700

Date : 28.05.2022
Place : New Delhi

For and on behalf of the Board of Directors

Ramesh Chander Khandelwal
Chairman & Whole -time Director
DIN : 00124085

Pramod Khandelwal
Managing Director
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Aditi Singh
Company Secretary
PAN : EWRPS6390N

Ram Avtar Sharma
CFO
PAN : AMTPS3388J

METAL COATINGS (INDIA) LIMITED

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	For the period ended 31.03.2022		For the period ended 31.03.2021	
A. **Cash flow from Operating Activities :**				
Net Profit before tax as per statement of Profit and Loss		**375.73**		**343.21**
Adjustment for				
(Profit)/Loss on sale / Discard of Assets-Net	-		(13.58)	
Depreciation / Amortisation Expense	47.34		51.58	
Bad & doubtful debts	3.32		-	
Finance Cost	13.81		5.60	
Rental Income	(24.00)		(24.00)	
Interest Income	(7.78)		(24.56)	
Short term capital gain on mutual fund	(3.93)		(19.87)	
Reversal of allowance for doubtful trade receivables	(78.39)	(49.63)	-	(24.83)
Operating profit before working capital changes		**326.10**		**318.38**
(Increase)/Decrease in Trade Receivables	(149.34)		(112.40)	
(Increase)/Decrease in Inventories	(349.40)		(479.21)	
(Increase)/Decrease in other Assets	(285.36)		(138.18)	
Increase/(Decrease) in Current Liabilities	(48.32)		37.58	
Effect of Other Comprehensive Income	(45.19)		(10.41)	
Increase/(Decrease) in Short & Long term provisions	82.45	(795.16)	35.80	(666.82)
Cash generated from operations		**(469.06)**		**(348.44)**
Tax Paid	(91.17)	(91.17)	(111.39)	(111.39)
Net cash flow (used in) from operating activities		**(560.23)**		**(459.83)**
B. **Cash flow from investing activities**				
Additions in tangible and intangible assets (Including capital work in progress and advances on capital account)	(1.09)		(50.17)	
Proceeds from disposable of tangible and intangible Assets	-		25.54	
Proceeds from sales of Investment	-		127.30	
Rental Income	24.00		24.00	
Interest Income	7.78		24.56	
Purchase of Mutual Fund	(1,430.00)		(1,977.24)	
Sale of Mutual Fund	1,433.93		1,997.11	
Net cash from Investing Activities		**34.62**		**171.10**
C. **Cash flow from Financing Activities**				
Proceeds from new borrowings (Overdraft Limit)	23.10		561.74	
Interest paid	(13.81)		(5.60)	
Net cash from Financing Activities		**9.29**		**556.14**
Net cash flows during the year (A+B+C)		(516.32)		267.41
Cash and cash equivalents (Opening balance) (Note-7)		523.97		256.56
Cash and cash equivalents (Closing balance) (Note-7)		7.65		523.97

Notes to cash flow statement:
1 Figures in brackets indicate cash out flows.
2 Bank borrowings have been grouped as part of financing activities.
3 Figures have been rounded off to the nearest of Rupee Lacs.

In terms of our annexed report of even date

For Mehra Goel & Co.
Chartered Accountants
FRN No. 000517N

Vaibhav Jain
Partner
Membership No. 515700

Date : 28.05.2022
Place : New Delhi

For and on behalf of the Board of Directors

Ramesh Chander Khandelwal
Chairman & Whole -time Director
DIN : 00124085

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DIN : 00124082

Aditi Singh
Company Secretary
PAN : EWRPS6390N

Ram Avtar Sharma
CFO
PAN : AMTPS3388J

METAL COATINGS (INDIA) LIMITED

Note No. -1

Significant Accounting Policies and Notes to Accounts

A. CORPORATE INFORMATION

Metal Coatings (India) Limited (the 'Company') was incorporated in India as a limited company under the Companies Act, 1956 on 12 December, 1994. The company is listed in Bombay Stock Exchange. The Company commenced its operations on 9 February, 1995 and is engaged in the manufacture and sale of Cold Rolled Steel Strips, H. R. Pickled & Oiled coils/strips.

B. SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

b. Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial assets & liabilities and defined benefit plans which have been measured at fair value amount. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle which has been taken as 12 months. Company's financial statements are presented in Indian Rupees, which is also its functional currency.

c. Property, plant and equipment

Freehold land is carried at historical cost. All other items of Property, plant and equipment are stated at cost, net of trade discount, rebates and recoverable taxes less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Gains or losses arising from de-recognition of fixed Assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. The Company has elected to continue with the carrying value of all of its property, plant and equipment at the transition date and use that carrying value as the deemed cost of the property, plant and equipment.

d. Lease hold improvements

The company has taken a piece of land on lease at Meola Maharajpur. The company had constructed a building on the said land as a factory. Leasehold improvements are carried at historical cost. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Depreciation on leasehold improvements are provided using straight line method based on management estimate of useful life of the assets. Gains or losses arising from de-recognition of leasehold improvements are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and

loss when the asset is derecognized.

e. Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Intangible assets are amortized using straight line method based on management estimate of useful life of the assets.

f. Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usages.

g. Borrowing cost

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.

Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is recognised in the statement of profit and loss. Discounts or premiums and expenses on the issue of debt securities are amortised over the term of the related securities and included within borrowing costs. Premiums payable on early redemptions of debt securities, in lieu of future finance costs, are recognised as borrowing costs.

All other borrowing costs are recognised as expenses in the period in which it is incurred.

h. Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of scrap, which is valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares, packing materials, trading and other products are determined on weighted average basis.

i. Impairment of property, plant and equipment and intangible assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Others assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

j. Contingencies /Provisions

Provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or

more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount can not be made.

k. Employee Benefits Expense

Short Term Employee Benefits obligation

All employee benefits payable wholly within twelve months of rendering the service are classified as 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. These benefits include compensated absences and performance incentives.

Other long-term Employee Benefit obligations

The liabilities for earned leave which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured on the basis of independent actuarial valuation certificate as the present value of the expected future payments to be made in respect of service provided by the employees upto the end of the reporting period.

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. 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.

Defined Benefit Plans

The Company pays gratuity to the eligible employees in accordance with the payment of Gratuity act, 1972. The liability recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligations are calculated at the end of the reporting period by actuaries using the projected unit credit method. Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

l. Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

- **Current tax :** Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

- **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.

m. Revenue recognition

Revenue is recognised when control of the products being sold has transferred to the customer and when there are no longer any unfulfilled obligations to the customer. This is generally on delivery to the customer but depending on individual customer terms, this can be at the time of dispatch, delivery or upon formal customer acceptance. This is considered the appropriate point where the performance obligations in our contracts are satisfied as Company no longer have control over the inventory. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and Indirect Taxes. No element of financing is present in the pricing arrangement. Settlement terms range from cash-on-delivery to credit terms ranging upto 120 days.

n. Foreign Exchange Transaction and translation

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is Company's functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

o. Dividend Income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

p. Financial Instruments

Financial Assets

-**Measurement** - At initial recognition, the Company measures a financial assets at its fair value plus, in the case of a financial assets not at fair value through profit or loss, transaction cost that are directly attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss are expensed off in the statement of profit or loss. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debts investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognised in profit or loss when the assets is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

-**Investment** - The Company account for its investments in subsidiaries, associates and joint venture at cost and 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.

- **Impairment of financial assets** - The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables Company applies simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities

- Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

- Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short

Derecognition of financial instruments -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. 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.

q. Earning per Share

Basic earning per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year. The Company did not have any potentially dilutive securities in any of the years presented.

r. Costs and expenses are recognised when incurred and have been classified according to their nature.

s. Use of estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires the management to make estimates and assumptions that affect the balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the periods presented. The Company has a policy to review these estimates and underlying assumptions on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

t. Leases

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

C. Recent Accounting Pronouncements

Ministry of Corporate Affairs (MCA), vide notification dated 23rd March, 2022, has made the following amendments to Ind AS which are effective 1st April, 2022:

a) Ind AS 109: Annual Improvements to Ind AS (2021)

b) Ind AS 103: Reference to Conceptual Framework

c) Ind AS 37: Onerous Contracts - Costs of Fulfilling a Contract

d) Ind AS 16: Proceeds before intended use

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its financial statements.

2. PROPERTY, PLANT & EQUIPMENT

(₹. in Lakhs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Total as on 01.04.2021	Additions	Sold / Discarded	Total as on 31.03.2022	Total as on 01.04.2021	For the period ended 31.03.2022	Dep. On discarded assets	Total as on 31.03.2022	As on 31.03.2022	As on 31.03.2021
Land	85.17	-	-	85.17	-	-	-	-	85.17	85.17
Buildings	373.69	-	-	373.69	182.27	10.25	-	192.52	181.17	191.42
Plant & Machinery	1,009.25	-	-	1,009.25	842.41	24.32	-	866.73	142.52	166.84
Motor Vehicles	197.58	-	-	197.58	146.20	10.72	-	156.92	40.66	51.38
Furniture, Fixtures	2.98	-	-	2.98	2.29	0.15	-	2.44	0.54	0.69
Office Equipment	9.95	0.52	-	10.47	7.80	0.66	-	8.46	2.01	2.15
Computers	7.29	0.57	-	7.86	5.73	0.82	-	6.55	1.31	1.56
Leasehold Improvements	14.03	-	-	14.03	9.50	0.42	-	9.92	4.11	4.53
Total	**1,699.94**	**1.09**	**-**	**1,701.03**	**1,196.20**	**47.34**	**-**	**1,243.54**	**457.49**	**503.74**
Previous year	1,704.49	50.14	54.69	1,699.94	1,187.36	51.58	42.74	1,196.20	503.74	517.13

Carrying amount of own assets are mortgaged as security for borrowings.

(₹ in Lakhs)

	Particulars	As at 31.03.2022	As at 31.03.2021
3	**DEFERRED TAX LIABILITIES / (ASSETS) - NET**		
	At the start of the year	(41.66)	(14.12)
	Charge / (Credit) to statement of Profit & Loss	2.22	(24.92)
	Charge / (Credit) to Other Comprehensive Income	(11.37)	(2.62)
	At the end of the year	**(50.81)**	**(41.66)**

Component of deferred tax liabilities / (Assets)	As at 31.03.2021	Charge/(Credit) to Total Comprehensive Income	As at 31.03.2022
Deferred tax liabilities / (Assets) in relation to			
Property, Plant and Equipment	64.27	(8.13)	56.15
Provisions	(105.93)	(1.02)	(106.95)
	(41.66)	(9.15)	(50.81)

	Particulars	As at 31.03.2022	As at 31.03.2021
4	**OTHER NON-CURRENT ASSETS**		
	Security Deposit	12.19	10.52
	Total	**12.19**	**10.52**
5	**INVENTORIES**		
	Raw Materials	668.54	591.13
	Work in Process	351.90	103.34
	Finished Goods	62.92	45.64
	Stores & Spares	1.85	0.60
	Scrap Material	53.25	48.35
	Total	**1138.46**	**789.06**

Carrying amount of inventories have been hypothecated to Bank for the working capital facilites availed.

6	**TRADE RECEIVABLES**		
	Trade Receivables	2759.16	2613.13
	Less: Allowance for doubtful trade receivables	-	78.39
	Considered good - Unsecured	**2759.16**	**2534.74**

Includes dues from Related Parties Rs. 719.79 Lakhs (Previous year Rs. 487.73 Lakhs). Carrying amount of Trade Receivables have been hypothecated to bank for the working capital facilities availed.

Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment as at 31st March, 2022						Total
	Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2,405.21	353.83	0.06	-	-	0.06	2,759.16
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**2,405.21**	**353.83**	**0.06**	**-**	**-**	**0.06**	**2,759.16**

Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment as at 31st March, 2021						Total
	Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2,161.99	446.14	2.02	0.59	2.33	0.06	2,613.13
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**2,161.99**	**446.14**	**2.02**	**0.59**	**2.33**	**0.06**	**2,613.13**
Less: v) Allowance for doubtful trade receivables							78.39
Total Trade Receivables	**2,161.99**	**446.14**	**2.02**	**0.59**	**2.33**	**0.06**	**2,534.74**

(₹. in Lakhs)

	Particulars	As at 31.03.2022	As at 31.03.2021
7	**CASH AND CASH EQUIVALENTS**		
	- Cash in hand	5.88	2.68
	- Balances with Bank	1.77	0.53
	- Fixed deposits with Bank	-	520.76
	Total	**7.65**	**523.97**
8	**OTHER BANK BALANCES**		
	- Earmarked balances with Bank	20.65	34.23
	- Fixed Deposits pledged with Bank	4.09	3.96
	Total	**24.74**	**38.19**
9	**LOANS**		
	Advance to Employees		
	- Loan Receivable considered good - Unsecured	6.49	6.47
10	**OTHER CURRENT ASSETS**		
	Balance with Government Authorities	102.68	2.36
	Prepaid Expenses	3.43	2.69
	Advance to Suppliers	331.45	153.57
	Total	**437.56**	**158.62**
11	**EQUITY SHARE CAPITAL**		
	Authorised Capital		
	80,00,000 (Previous Year 80,00,000) Equity Shares of Rs. 10/- each.	800.00	800.00
	Issued , Subscribed & Paid up Capital		
	73,26,800 (Previous Year 73,26,800) Equity Shares of Rs. 10/- each.	732.68	732.68

a) **The details of Shareholders holding more than 5% shares :**

	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	**% held**	**No. of Shares**	**% held**
Khandelwal Galva Strips Pvt. Ltd.	17,45,499	23.82	17,45,499	23.82
Pramod Khandelwal	12,13,390	16.56	12,13,390	16.56
Ramesh Chander Khandelwal	11,84,759	16.17	10,43,858	14.25
Lehartechnologies.Com Pvt. Limited	-	-	5,01,529	6.85
Bondwell Financial Services (P) Ltd.	4,39,054	5.99	4,41,100	6.02
Total	**45,82,702**	**62.54**	**49,45,376**	**67.50**

b) **The reconciliation of the number of shares outstanding is set out below**

Equity Shares at the beginning of the year	73,26,800	73,26,800
Add : Shares issued	-	-
Less : Shares bought back	-	-
Equity Shares at the end of the year	73,26,800	73,26,800

c) **Rights, preference and restrictions attached to shares**

The Company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors are subject to shareholders approval in ensuing AGM except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all the preferential amount in proportion to their shareholding.

d) **Details of Shareholding of Promoters - Equity share of Rs. 10.00 each fully paid**

Shares held by promoters at the end of the year					% of Change during the year
Promoter name	As at 31st March, 2022		As at 31st March, 2021		
	No. of Shares	%of total shares	No. of Shares	%of total shares	
01 Khandelwal Galva Strips Private Limited	17,45,499	23.82	17,45,499	23.82	Nil
02 Pramod Khandelwal	12,13,390	16.56	12,13,390	16.56	Nil
03 Ramesh Chander Khandelwal	11,84,759	16.17	10,43,858	14.25	1.92
04 Anupama Khandelwal	3,44,191	4.70	1,59,450	2.18	2.52
05 Priya Khandelwal	1,56,500	2.14	1,56,500	2.14	Nil
06 Anjana Khandelwal	1,55,500	2.12	1,55,500	2.12	Nil
07 Krishna Khandelwal	1,31,200	1.79	1,06,200	1.45	0.34
08 Neeta Khandelwal	1,10,900	1.51	1,10,900	1.51	Nil
09 Jyoti Rawat	70,000	0.96	70,000	0.96	Nil
10 A. P. Khandelwal	15,200	0.21	15,200	0.21	Nil
11 Pratishtha Khandelwal	4,450	0.06	-	-	0.06
Total Promoters shares outstanding	**51,31,589**	**70.04**	**47,76,497**	**65.20**	
Total shares outstanding of the company	**73,26,800**		**73,26,800**		

Details of Shareholding of Promoters - Equity share of Rs. 10.00 each fully paid

Shares held by promoters at the end of the year					% of Change during the year
Promoter name	As at 31st March, 2021		As at 31st March, 2020		
	No. of Shares	%of total shares	No. of Shares	%of total shares	
01 Khandelwal Galva Strips Private Limited	17,45,499	23.82	17,45,499	23.82	Nil
02 Pramod Khandelwal	12,13,390	16.56	12,13,390	16.56	Nil
03 Ramesh Chander Khandelwal	10,43,858	14.25	10,43,858	14.25	Nil
04 Anupama Khandelwal	1,59,450	2.18	1,59,450	2.18	Nil
05 Priya Khandelwal	1,56,500	2.14	1,56,500	2.14	Nil
06 Anjana Khandelwal	1,55,500	2.12	1,55,500	2.12	Nil
07 Krishna Khandelwal	1,06,200	1.45	1,06,200	1.45	Nil
08 Neeta Khandelwal	1,10,900	1.51	1,10,900	1.51	Nil
09 Jyoti Rawat	70,000	0.96	70,000	0.96	Nil
10 A. P. Khandelwal	15,200	0.21	15,200	0.21	Nil
Total Promoters shares outstanding	**47,76,497**	**65.20**	**47,76,497**	**65.20**	
Total shares outstanding of the company	**73,26,800**		**73,26,800**		

(₹. in Lakhs)

	Particulars	As at 31.03.2022	As at 31.03.2021
12	**OTHER EQUITY**		
	Capital Reserve		
	As per last Balance Sheet	**6.14**	**6.14**
	Security Premium		
	As per last Balance Sheet	**135.59**	**135.59**
	General Reserve		
	As per last Balance Sheet	**26.16**	**26.16**
	Retained Earnings		
	Balance at the beginning of the year	2247.87	1998.92
	Add: Profit for the year	282.34	256.74
	Add : Other Comprehensive Income	(33.82)	(7.79)
	Total	**2496.39**	**2247.87**
	Grand Total	**2664.28**	**2415.76**

Nature and purpose of reserves :

Capital Reserve - Capital Reserve was created consequent to forfeiture of shares

Securities Premium - Securities Premium Reserve was created consequent to issue of shares at a premium. The reserves can be utilised in accordance with section 52 of Companies Act, 2013

General Reserve : The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, item included in the general reserve will not be reclassified subsequently to statement of profit and loss.

13	**PROVISIONS - NON CURRENT**		
	Provision for employee benefits	230.98	197.17
	Total	**230.98**	**197.17**
14	**BORROWINGS - CURRENT**		
	Secured - At amortised cost	**972.73**	**949.63**
	Working Capital Limit from Bank		

Secured against hypothecation of Trade Receivables, Inventories and by way of mortgage of Land, Buildings and Plant & Machinery. This is also secured by personal guarantee of Whole Time Director and Managing Director.

15	**TRADE PAYABLES**		
	Dues of Micro and Small enterprises (Refer Note No. 28)	11.74	11.04
	Dues of creditors other than Micro and Small enterprises	17.34	8.57
	Total	**29.08**	**19.61**

Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment as at 31st March, 2022					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)Undisputed MSME	11.74	-	-	-	-	11.74
(ii) Undisputed Others	17.34	-	-	-	-	17.34
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
Total	**29.08**	**-**	**-**	**-**	**-**	**29.08**

Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment as at 31st March, 2021					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)Undisputed MSME	10.49	-	-	-	-	10.49
(ii) Undisputed Others	8.57	-	-	-	-	8.57
(iii) Disputed dues – MSME	-	-	0.55	-	-	0.55
(iv)Disputed dues - Others	-	-	-	-	-	-
Total	**19.06**	**-**	**0.55**	**-**	**-**	**19.61**

(₹ in Lakhs)

	Particulars	As at 31.03.2022	AS at 31.03.2021
16	**OTHER FINANCIAL LIABILITIES**		
	Unclaimed Dividend*	20.65	34.23
	Employee Benefits Payable	41.05	38.31
	Other Payables	30.91	23.04
	Total	**92.61**	**95.58**

* : Investor Education and Protection Fund will be credited as and when due

17	**OTHER CURRENT LIABILITIES**		
	Payable in respect of statutory dues	28.46	67.39
	Other Payable	1.22	1.64
	Total	**29.68**	**69.03**
18	**PROVISIONS - CURRENT**		
	Provision for Employee Benefits	193.93	145.30
	Total	**193.93**	**145.30**

(₹ in Lakhs)

	Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
19	**REVENUE FROM OPERATIONS**		
	Sale of Products	14210.32	9390.28
	Other operating revenues	15.38	21.37
	Total	**14225.70**	**9411.65**
20	**OTHER INCOME**		
	Rent	24.00	24.00
	Interest Income	7.78	24.56
	Realised gain on Mutual Fund	3.93	19.87
	Reversal of allowance for doubtful trade receivables	78.39	-
	Other non-operating income	9.91	13.89
	Total	**124.01**	**82.32**
21	**COST OF MATERIALS CONSUMED**		
	Opening stock of Raw Material	591.73	184.29
	Add : Purchases during the year	12765.57	8163.59
	Less : Closing stock of Raw Material	670.39	591.73
		12686.91	**7756.15**

(₹ in Lakhs)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
22 **CHANGE IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS**		
Inventories (Closing)		
Work in Progress	351.90	103.34
Finished Goods	62.92	45.64
Scrap Material	53.25	48.35
Total	**468.07**	**197.33**
Inventories (Opening)		
Work in Progress	103.34	76.09
Finished Goods	45.64	12.57
Scrap Material	48.35	36.90
Total	**197.33**	**125.56**
(Increase) / Decrease in Inventory	**(270.74)**	**(71.77)**
23 **EMPLOYEE BENEFITS EXPENSES**		
Salaries and Wages	602.68	606.88
Contribution to Provident and other funds	37.35	30.39
Staff welfare expenses	4.19	2.47
TOTAL	**644.22**	**639.74**

23.1 **Reconciliation of opening and closing balance of defined benefit obligation**	For the year ended 31.03.2022		For the year ended 31.03.2021	
	Gratuity	**Leave Encashment**	**Gratuity**	**Leave Encashment**
Obligation at beginning of year	321.63	20.84	295.20	11.47
Current service cost	17.44	2.56	15.45	1.94
Interest cost	21.71	1.41	17.71	0.69
Actuarial (gain) / loss	30.85	14.34	0.95	9.46
Benefits paid	(3.47)	(2.38)	(7.68)	(2.72)
Obligation at year end	**388.16**	**36.77**	**321.63**	**20.84**
23.2 **Expenses recognised during the year**				
In Income Statement				
Current Service Cost	17.44	2.56	15.45	1.94
Interest Cost	21.71	1.41	17.71	0.69
Return on Plan Assets	-	-	-	-
Net Cost	39.15	3.97	33.16	2.63
In Other Comprehensive Income				
Actuarial (Gain) / Loss	30.85	14.34	0.95	9.46
Return on Plan Assets	-	-	-	-
Net (Income) / Expense for the period recognised in OCI	**30.85**	**14.34**	**0.95**	**9.46**

(₹ in Lakhs)

Particulars	For the year ended 31.03.2022		For the year ended 31.03.2021	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment

23.3 **The defined benefit obligations shall mature after year ended March 31, 2022 as follows:**

01 Apr 2022 to 31 Mar 2023	177.17
01 Apr 2023 to 31 Mar 2024	27.03
01 Apr 2024 to 31 Mar 2025	118.82
01 Apr 2025 to 31 Mar 2026	4.47
01 Apr 2026 to 31 Mar 2027	5.99
01 Apr 2027 onwards	54.68

The defined benefit obligations shall mature after year ended March 31, 2021 as follows:

01 Apr 2021 to 31 Mar 2022	137.95
01 Apr 2022 to 31 Mar 2023	18.07
01 Apr 2023 to 31 Mar 2024	20.85
01 Apr 2024 to 31 Mar 2025	85.56
01 Apr 2025 to 31 Mar 2026	3.74
01 Apr 2026 onwards	55.46

23.4 **Actuarial assumptions**

Discount rate (per annum)	6.75%	6.75%	6.00%	6.00%
Salary growth rate (per annum)	9.75%	9.75%	9.75%	9.75%
Withdrawal rate (per annum)	14.00%	14.00%	14.00%	14.00%
Mortality	IALM-2012-14	IALM-2012-14	IALM-2012-14	IALM-2012-14

23.5 **Sensitivity Analysis**

Period	As on: 31-03-2022	As on: 31-03-2022	As on: 31-03-2021	As on: 31-03-2021
Defined Benefit Obligation (Base)	388.16 @ Salary Increase Rate : 9.75%, and discount rate :6.75%	36.77	321.63 @ Salary Increase Rate :9.75%, and discount rate:6%	20.84
Liability with x% increase in Discount Rate	379.94; x=1.00% [Change (2)%]	35.93; x=1.00% [Change (2)%]	313.23; x=1.00% [Change (3)%]	20.10; x=1.00% [Change (4)%]
Liability with x% decrease in Discount Rate	396.94; x=1.00% [Change 2%]	37.67; x=1.00% [Change 2%]	330.67; x=1.00% [Change 3%]	21.65; x=1.00% [Change 4%]
Liability with x% increase in Salary Growth Rate	396.61; x=1.00% [Change 2%]	37.64; x=1.00% [Change 2%]	330.27; x=1.00% [Change 3%]	21.62; x=1.00% [Change 4%]
Liability with x% decrease in Salary Growth Rate	380.08; x=1.00% [Change (2)%]	35.95; x=1.00% [Change (2)%]	313.44; x=1.00% [Change (3)%]	20.12; x=1.00% [Change (3)%]
Liability with x% increase in Withdrawal Rate	387.46; x=1.00% [Change 0%]	36.69; x=1.00% [Change 0%]	320.65; x=1.00% [Change 0%]	20.73; x=1.00% [Change (1)%]
Liability with x% decrease in Withdrawal Rate	388.90; x=1.00% [Change 0%]	36.85; x=1.00% [Change 0%]	322.68; x=1.00% [Change 0%]	20.96; x=1.00% [Change 1%]

(₹ in Lakhs)

	Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
24	**FINANCE COST**		
	Interest	11.81	3.60
	Other borrowing cost	2.00	2.00
	Total	**13.81**	**5.60**
25	**OTHER EXPENSES**		
	Manufacturing expenses		
	Stores & Spares	154.92	168.16
	Power & Fuel	402.54	291.00
	Job Work Charges	97.78	69.66
	Repair to Machinery	40.91	34.79
	Repair to Building	0.51	1.51
	Total	**696.66**	**565.12**
	Selling and Distribution Expenses		
	Distribution Expenses	**79.02**	**59.83**
	Administrative & Miscellaneous Expenses		
	Bad Debts written off	3.32	3.87
	Allowance for doubtful trade receivables	-	78.39
	Bank Charges	0.39	0.55
	Insurance	4.30	4.22
	Payment to Auditors	6.50	7.25
	Professional Fee	6.40	7.98
	Rates & Taxes	4.26	5.77
	Rent	3.45	0.36
	Travelling,Vehicle Running & Maintenance Expenses	9.16	5.95
	Cash Discount	13.68	2.76
	Loss due to fire	-	0.48
	Miscellaneous Expenses	25.30	26.93
	Total	**76.76**	**144.51**
	Grand Total	**852.44**	**769.46**
	PAYMENT TO AUDITORS (EXCLUSIVE OF GST) AS* :		
	Audit Fees (Includes audit fees of quarterly review)	5.55	5.55
	Tax Audit Fees	0.95	0.95
	GST Audit Fees	-	0.75
	Total	**6.50**	**7.25**

*: Rs. 0.35 lakhs pertains to predecessor auditor.

(₹ in Lakhs)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
26 **TAXATION**		
Income tax recognised in Statement of Profit and Loss		
a) Current tax	91.17	111.39
b) Deferred tax	2.22	(24.92)
Total income tax expenses recognised in the current year	**93.39**	**86.47**

Provision for current tax for the year includes tax adjustment related to earlier years amounting to Rs. 5.49 lakhs (previous year Rs. 1.06 lakhs)

The income tax expenses for the year can be reconciled to the accounting profit as follows:

Profit before tax	330.54	332.80
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expense	83.20	83.76
Tax effect of :		
Exempted income	-	-
Expenses disallowed	2.49	26.57
Adjustment of Tax on other Comprehensive Income		
Total	**85.69**	**110.33**
Tax adjustment related to earlier years	5.48	1.06
Current Tax Provision - A	**91.17**	**111.39**
Incremental Deferred Tax Liability on account of Tangible and Intangible Assets	(8.13)	1.19
Incremental Deferred Tax Asset on account of Financial Assets and Other Items	(1.02)	(28.74)
Charged to other comprehensive income	11.37	2.62
Deferred tax Provision (B)	2.22	(24.93)
Tax Expenses recognised in Statement of Profit and Loss (A+B)	93.40	86.47
Effective Tax Rate %	28.26	25.98

The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. These mainly includes disallowed expenses, tax treatment of certain expenses claimed by the Company as deductions, and computation of, or eligibility of, certain tax incentives or allowances. The Company has contingent liability in respect of demands from direct tax authorities in India, which are being contested by the Company on appropriate level. Refer Note No.-34. The Company periodically receives notices and inquiries from income tax authorities related to the Company's operations in the jurisdictions it operates in. The Company has evaluated these notices and inquiries and has concluded that any consequent income tax claims or demands by the income tax authorities will not succeed on ultimate resolution.

(₹ in Lakhs)

	Particulars	As at 31.03.2022	As at 31.03.2021
27	**EARNING PER SHARE (EPS)**		
	Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. in lakh)	282.34	256.74
	No. of Shares used as denominator for calculating EPS	73,26,800	73,26,800
	Basic and Diluted Earning per share (Rs)	3.85	3.50
	Face Value per equity share (Rs.)	10.00	10.00

28 There is no amount over due during the year for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

(₹ in Lakhs)

	As at 31st March,2022	As at 31st March,2021
(i) Principal amount remaining unpaid to supplier at the end of the year	11.74	10.49
(ii) Interest due thereon remaining unpaid to supplier at the end of the year	-	-
(iii) Amount of interest due and paybale for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
(iv) Amount of interest accured and remaining unpaid at the end of the year	-	-

29 **Fair value measurement hierarchy**

	31.03.2022 Carrying Amount	31.03.2021 Carrying Amount
Financial Assets		
At amortised Cost		
Trade Receivables	2,759.16	2,534.74
Cash and Bank Balances	32.39	562.16
Loans Receivables	6.49	6.47
Financial Liabilities		
- Borrowings	972.73	949.63
- Trade payables	29.08	19.61
- Other financial liabilities	92.61	95.58

Financial risk management

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

i. Credit risk - Credit risk is the risk that counterparty will not meet its obligations leading to a financial loss. The Company is exposed to credit risk arising from trade receivables. All financial assets are initially considered performing and evaluated periodically for expected credit loss. A default on a financial asset is when there is a significant increase in the credit risk which is evaluated based on the business environment. The assets are written off when the Company is certain about the non-recovery.

a. Trade receivables - The Company has an established credit policy and a credit review mechanism. The concentration of credit risk arising from trade receivables is limited due to large customer base. Management believes that the unimpaired amounts that are past due are collectible in full, based on historical payment behaviour and analysis of customer credit risk.

b. Financial instruments and cash deposits – Company periodically reviews the credit risk arising from balances / deposits with banks, other financial assets and current investments, if any, and manage the same accordingly.

ii. Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations. The company monitors rolling forecast of its liquidity position on the basis of expected cash flows. The Company's approach is to ensure that it has sufficient liquidity or borrowing headroom to meet its obligations at all point in time. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

Current Financial Liabilities	31.03.2022		31.03.2021	
	Carrying Amount	Less than 1 year	Carrying Amount	Less than 1 year
Borrowings	972.73	972.73	949.63	949.63
Trade Payables	29.08	29.08	19.61	19.61
Other Financial Liabilities	92.61	92.61	95.58	95.58

iii. Market risk

Market risk is the risk that the fair value of the future cash flows will fluctuate because of changes in the market prices such as currency risk, interest rates risk and commodity price risk.

a) **Currency risk** - The company's operates its business only in Indian territory and as such there is no foreign exchange risk to the Company.

b) 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 interest rate risk can also impact the provision for retiral benefits. The Company generally utilises fixed rate borrowings and therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of change in the market interest rates. The Company is not exposed to significant interest rate risk as at the respective reporting dates.

c) Commodity risk - The Company is exposed to the fluctuations in commodity prices mainly for H. R. Coils. Mismatch in demand and supply, adverse market conditions, market expectations etc., can lead to price fluctuations. The Company manages these price fluctuations by entering into the MOUs with the major supplier.

Capital Management

The Company's objective for capital management is to maximize shareholder's wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through optimum mix of borrowed and own funds. The Company's adjusted net debt to equity position was as follows:

	31.03.2022	31.03.2021
Total Borrowings	972.73	949.63
Less : Cash and Cash Equivalents including Deposits	11.74	527.93
Adjusted net (cash)/debt	960.99	421.70
Total Equity	**3,396.96**	**3,148.44**

30 The sitting fees paid to non-executive directors is Rs. 1.06 lakh and Rs. 0.64 lakh as at 31st March, 2022 and 2021 respectively.

31 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board of directors on 28th May, 2022.

32 **Financial Ratios**

	Ratios	Numerator	Denominator	March 31,2022	March 31,2021	% Change	Reason for variance
i)	Current Ratio (in times)	Current Assets	Current Liabilities	3.36	3.15	6.43	
ii)	Debt-Equity Ratio (in times)	Debt $	Equity	0.29	0.30	(5.06)	
iii)	Debt Service Coverage Ratio (in times)	Earning Available for Debt Service #	Debt Service^	19.30	55.70	(65.36)	Ratio has decreased on account of higher finance cost
iv)	Return on Equity Ratio (in %)	Net Profit after Tax	Average Total Equity	8.63	8.49	1.61	
v)	Inventory turnover ratio (in Times)	Cost of Goods Sold	Average Inventory	13.74	15.25	(9.89)	
vi)	Trade Receivables turnover ratio (in times)	Revenue from Operation	Average Trade Receivables	5.37	3.80	41.53	Ratio has improved due to improved realisation from Customers
vii)	Trade payables turnover ratio (in times)	Net Purchase	Average Trade Payables	524.40	401.95	30.46	Ratio has improved due to improved Payment to Suppliers
viii)	Net capital turnover ratio (in times)	Revenue from Operation	Average Working Capital	4.82	3.53	36.52	Ratio has increased due to higher sales during the period
ix)	Net profit ratio (in %)	Net Profit after Tax	Revenue from Operation	1.98	2.73	(27.24)	Ratio has decreased due to pressure on margin
x)	Return on Capital employed (in %)	Profit before Interest and Tax	Average Capital Employed*	9.30	9.52	(2.27)	
xi)	Return on investment (in %)	Income generated from invested funds**	Average Investment***	4.43	9.81	(54.84)	Ratio is decreased due to amount invested for shorter period

$: Short Term Borrowing from Bank

Net Profit after Taxes+ Depreciation and Amortization+ Finance cost excluding Interest on Lease+other non cash adjustments

* Tangible Net Worth + Total Debt + Deferred Tax Liabilities

**Income generated from invested funds includes interest on fixed deposit and Realized gain on sale of Mutual Fund

***Investments includes Fixed Deposit

^ Finance cost + Interest on leases + Principal Repayment

33 Related Party Disclosure

The Company has identified all related parties and details of transactions are given below. No advances are required to be made. No amounts have been written off or written back during the year in respect of debts due from or to related parties. There are no other related parties where control exist that needs to be disclosed.

(₹ In Lakhs)

Name of related party with Description of relationship	Nature of Transaction	Value of transac-tion for the period ended 31.03.2022	Outstanding as on 31.03.2022	Payable - P Receivable - R	Written off During Year ended 31.03.2022
Mr. Vinay Khandelwal	Rent paid / Payable	0.36	5.40	P	Nil
Brother of Mr. Pramod Khandelwal, Managing Director of the Company		(0.36)	(5.04)	(P)	(Nil)
M/s Khandelwal Busar Industries Pvt. Ltd.	Sales	2433.83	717.63	(R)	Nil
Enterprise in which Mr. R. C. Khandelwal ,	(Goods & Fixed Assets)	(1055.97)	(485.73)	(R)	(Nil)
Whole Time Director, Mr. Pramod Khandelwal, Managing Director of the Company have substantial interest	Purchases-Goods	506.62	--	(--)	Nil
		(136.54)	(--)	(--)	(Nil)
	Job Work Expenses	0.10	--	--	Nil
		(0.11)	--	--	(Nil)
	Rent Received / Receivable	24.00	2.16	(R)	Nil
		(24.00)	(2.00)	(R)	(Nil)
Mr. R. C. Khandelwal	Remuneration	162.12	7.94	P	Nil
Whole Time Director of the Company		(183.60)	(5.79)	(P)	(Nil)
Mr. Pramod Khandelwal	Remuneration	162.12	4.34	P	Nil
Managing Director of the Company		(183.60)	(5.79)	(P)	(Nil)
Mr. S. K. Gupta	Sitting Fee	0.44	--	--	Nil
Independent Director of the Company		(0.36)	(--)	(--)	(Nil)
Ms. Neha Gupta	Sitting Fee	0.06	--	--	Nil
Independent Director of the Company		(0.14)	(--)	(--)	(Nil)
Mr. Santosh Khandelwal	Sitting Fee	0.30	--	--	Nil
Independent Director of the Company		(0.14)	(--)	(--)	(Nil)
Mrs. Rupali Aggarwal	Sitting Fee	0.26	--	--	Nil
Independent Director of the Company		-	(--)	(--)	(Nil)
Mr. Ram Avtar Sharma	Remuneration	11.23	0.62	P	Nil
CFO of the Company		(10.24)	(0.76)	(P)	(Nil)
Ms. Ayati Gupta	Remuneration	3.71	0.33	P	Nil
Company Secretary of the Company		(1.68)	(0.28)	(P)	(Nil)

Previous year figures has been shown in bracket

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

The above figures do not include provisions for encashable leave and gratuity, as separate actuarial valuations are not available.

34 CONTINGENT LIABILITIES AND COMMITMENTS :

34.1 Income Tax demand outstanding

Nature of statute	Nature of The dues	Amount (In lakhs)*	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2.43	AY 2012-13	AO
Income Tax Act, 1961	Income Tax	0.48	AY 2013-14	AO
Income Tax Act, 1961	Income Tax	0.28	AY-2016-17	AO

* : Excluding interest under Income Tax Act

34.2 The HSIIDC has increased the price of land by Rs. 20.76 lakhs and demanded the enhanced price. This matter is pending in the District and Sessions court, Faridabad. The Company has however, paid Rs. 5.25 lakhs. Also, there might be consequent liability in the nature of interest.

34.3 The Company has no capital commitments during the current and previous year.

35 The company continues to monitor the impact of COVID-19 on its business including its impact on customers, supply chain etc. Due care has been exercised in conducting on significant accounting judgment and estimates including in relation to recoverability of receivables, inventory and other financial assets based on information available to date while preparing the company's financial statement as of and for the financial year ended 31st March, 2022.

36 The Code of Social Security 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code becomes effective.

37 The Company is predominantly engaged in the single business segment of Metal sector.

38 The previous year figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation.

39 Quarterly Statement filed by the Company with the Bank are in agreement with the books of accounts

40 Other statutory informations

i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii) The Company do not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

iii) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

viii) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

In terms of our annexed report of even date

For Mehra Goel & Co.
Chartered Accountants
FRN No. 000517N

For and on behalf of the Board of Directors

Vaibhav Jain
Partner
Membership No. 515700

Ramesh Chander Khandelwal
Chairman & Whole -time Director
DIN : 00124085

Pramod Khandelwal
Managing Director
DIN : 00124082

Date : 28.05.2022
Place : New Delhi

Aditi Singh
Company Secretary
PAN : EWRPS6390N

Ram Avtar Sharma
CFO
PAN : AMTPS3388J

METAL COATINGS (INDIA) LIMITED

Registered Office:
912, Hemkunt Chambers, 89, Nehru Place, New Delhi-110019
CIN: L74899DL1994PLC063387
Website: www.mcil.net
Email: info@mcilindia.net
Phone : 011-41808125

NOTICE

NOTICE is hereby given that the **28th (Twenty-Eighth)** Annual General Meeting (hereinafter referred to as "AGM") of the Members of **Metal Coatings (India) Limited** ("the Company") will be held on Wednesday, the 17th August 2022 at 12:30 p.m. Indian Standard Time ("IST") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following businesses. The venue of the meeting shall be deemed to be the registered office of the Company at 912, Hemkunt Chambers 89, Nehru Place, New Delhi-110019.

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the Financial Year ended 31st March, 2022 together with the reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Ramesh Chander Khandelwal (DIN: 00124085), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 at this AGM and being eligible, offers his candidature for re-appointment.

SPECIAL BUSINESS:

3. To appoint Mr. Sachin Khurana (DIN: 06435657) as Non-Executive Independent Director of the Company and to consider and if thought fit to pass with or without modification(s), the following resolution as an **Special Resolution:**

   "**RESOLVED THAT** Mr. Sachin Khurana (DIN: 06435657), who was appointed by the Board of Directors as an Additional Director in the Category of Non-Executive - Independent Director of the Company with effect from 19th May, 2022 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("the Act") and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a non-executive Independent Director of the Company.

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV of the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (" Listing Regulations"), as amended from time to time, the appointment of Mr. Sachin Khurana (DIN: 06435657), who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of two years commencing 19th May, 2022 to18th May, 2024 , be and is hereby approved.

   RESOLVED FURTHER THAT the Board of Directors and Key Managerial Personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns along with filing of necessary E-form with the Registrar of Companies, NCT of Delhi and Haryana and to give effect to the above resolution."

4. To approve material related party transactions with M/s Khandelwal Busar Industries Private Limited and to consider and if thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Company's policy on Related Party Transactions, approval of Members be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/arrangement(s)/transaction(s) with M/s Khandelwal Busar Industries Private Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for sale, purchase, transfer, job work or receipt of products, goods, materials, assets or services and leasing of property of any kind for a sum not exceeding Rs.75.00 (Rupees Seventy Five) Crores, at arm's length basis and in the ordinary course of business, for the financial year 2022-23.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contracts, schemes, agreements and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental authorities in this regard and deal with any matters, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto.

RESOLVED FURTHER THAT the Board of Directors and Key Managerial Personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, deeds, applications and returns along with filing of necessary E-form(s) with the Registrar of Companies, NCT of Delhi and Haryana and to give effect to the above resolution."

5. To ratify the remuneration of Cost Auditors for the financial year ending 31st March, 2023 and to consider and if thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) the remuneration payable to Mr. Ramawatar Sunar, Cost Accountant (Firm Registration No. 100691), amounting Rs. 50,000/- (Rupees Fifty Thousand Only) per annum plus applicable taxes, as recommended by the Audit Committee and as approved by the Board of Directors to conduct the audit of cost records of the Company for the financial year 2022-23, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors and Key Managerial Personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, deeds, applications and returns along with filing of necessary E-form with the Registrar of Companies, NCT of Delhi and Haryana and to give effect to the above resolution."

By order of the Board of Directors
For Metal Coatings (India) Limited

Sd/-
Aditi Singh
Company Secretary
Membership No. : A65305

Date: 13th July, 2022
Place: New Delhi

Registered Office:
912, Hemkunt Chambers,
89, Nehru Place,
New Delhi-110019
CIN: L74899DL1994PLC063387
Website: www.mcil.net
E-mail: info@mcilindia.net
Phone: 011-41808125

NOTES

1. Pursuant to General Circular No. 14/2020 dated 8 April 2020, General Circular No. 17/2020 dated 13 April 2020, General Circular No. 20/2020 dated 5 May 2020, General Circular No. 02/2021 dated 13 January 2021, General Circular No. 21/2021 dated 14 December 2021 and General Circular No. 02/2022 dated 5 May 2022 issued by Ministry of Corporate Affairs ("MCA Circulars") and Circular Nos. SEBI/HO/CFD/CMD1CIR/P/2020/79 dated 12 May 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13 May 2022 issued by the Securities and Exchange Board of India ("SEBI Circulars"), the 28th AGM of the Company is being conducted through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the Members at a venue. The deemed venue for the 28th AGM shall be the Registered Office of the Company.

2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act") & Secretarial Standard–2 on General Meetings issued by The Institute of Company Secretaries of India ("SS–2"), setting out material facts concerning the business under Item Nos. 3 to 5 of the Notice, is annexed hereto and forms part of this Notice.

   Further, the relevant details with respect to Item No. 3 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed as Annexure –I.

3. In terms of MCA Circulars, since the physical presence of Members has been dispensed with, there is no requirement of appointment of proxies under Section 105 of the Companies Act, 2013. Hence, Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

4. The attendance of the members in the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.

6. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 11th August, 2022 to Wednesday, 17th August, 2022 (both days inclusive) for the purpose of AGM.

7. The Institutional/Corporate Shareholders (i.e. other than Individuals/HUF, NRI, etc) of the Company, are encouraged to attend and vote in the AGM through VC/OAVM and are required to send, through their registered email address, a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote E-voting/E-voting system available during the AGM. The said Resolution/Authorization shall be sent to the Scrutinizer at csanshuljain24@gmail.com with copies marked to the Company at cs@mcilindia.net and to its RTA at delhi@linkintime.co.in.

DISPATCH OF ANNUAL REPORT THROUGH EMAIL AND REGISTRATION OF EMAIL IDs:

8. Pursuant to MCA Circulars and SEBI Circulars, Annual Report for F.Y. 2021-22 and the Notice of 28th Annual General Meeting of the Company are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

9. Members holding shares in physical mode and who have not updated their e-mail addresses with the Company are requested to update their e-mail address in prescribed form ISR-1 and other relevant forms with M/s. Link Intime India Private Limited, (hereinafter referred to as "RTA") at delhi@linkintime.co.in. Members may download the prescribed forms from the Company's website at www.mcil.net/investors.aspx. Members holding shares in dematerialised mode are requested to register/ update their e-mail address with the relevant Depository Participants. Any such changes effected by the Depository Participants will automatically reflect in the Company's subsequent records. In case of any queries/ difficulties in registering the e-mail address, Members may write to cs@mcilindia.net or delhi@linkintime.co.in.

10. Notice of the 28th AGM and Annual Report 2021-22 will also be available on the website of the Company at www.mcil.net, the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com, and on the website of Company's RTA at https://instavote.linkintime.co.in. Members can attend and participate in the AGM through VC/OAVM facility only.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM:

11. In compliance with the provisions of Section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended till date and Regulation 44 of the Listing Regulations, (including any statutory modification(s) and/or re-enactment(s) there of for the time being in force) and the SS–2 issued by The Institute of Company Secretaries of India [hereinafter referred to as "ICSI"] the Company is pleased to provide a facility to its members to exercise their right to vote from a place other than the venue of the AGM ("remote e-voting"), on all resolutions proposed to be considered at the AGM electronically through electronic voting (E-voting) services facilitated by the Link Intime India Private Limited (hereinafter referred to as "LIIPL"). Those Shareholders, who are present in the Meeting through VC/OAVM facility and have not cast their vote on the Resolutions through remote E-voting and are otherwise not barred from doing so, shall be eligible to vote through E-voting system available during the Meeting. The Members who have cast their vote by remote e-voting prior to AGM may attend the AGM but shall not be entitled to cast their vote again.

12. The remote e-voting period commences on Saturday, 13th August, 2022 at 9:00 a.m. (1ST) and ends on Tuesday, 16th August, 2022 at 5:00 p.m. (IST). During this period members of the Company holding shares either in physical form or dematerialized form, as on the cut-off date of Thursday, 11th August, 2022, may cast their vote electronically. The remote e-voting module will be disabled by Link Intime India Pvt. Ltd for voting thereafter. Once the vote on a resolution is cast by the members, the member will not be allowed to change it subsequently. A person who becomes a member of the Company after sending of the notice of AGM and holding shares as on the cut-off date i.e. Thursday, 11th August, 2022, may obtain the User ID and password by sending a request at cs@mcilindia.net..

13. The detailed instructions and the process for accessing and participating in the 28th AGM through VC/OAVM facility and voting through electronic means including remote e-voting forms part of the notice.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:

14. As the Meeting is being conducted through VC/OAVM, Members are encouraged to express their views/send their queries in advance mentioning their name, DP Id / Client Id / Folio Number, and mobile number to cs@mcilindia.net to enable smooth conduct of the Meeting. Queries received by the Company on the aforementioned Email Id by Wednesday, 10th August, 2022, 5:00 P.M. IST shall only be considered and responded.

15. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP Id and Client Id / Folio No., mobile number at cs@mcilindia.net on or before Wednesday 10th August, 2022, 5:00 P.M. IST. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.

16. When a pre-registered speaker is invited to speak at the meeting but does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.

    The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.

OTHER INFORMATION

17. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to cs@mcilindia.net.

18. In terms of Section 152 of the Act, **Mr. Ramesh Chander Khandelwal (DIN: 00124085)** retires by rotation at the AGM and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment. Pursuant to Regulation 26 & 36 of the Listing Regulations and SS–2, the particulars of the Directors seeking appointment/ re-appointment at the AGM, forms integral part of the notice.

19. SEBI vide its Circular No. **SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655** dated 3rd November, 2021 has provided common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC and Nomination details. As per the said Circular, it is mandatory for the shareholders holding securities in physical form to inter alia furnish PAN, KYC and Nomination details. Physical folios wherein the PAN, KYC and Nomination details are not available on or after 1st April, 2023, shall be frozen by the RTA and will be eligible for lodging any service request or receiving payment including dividend only after registering the required details. The said physical folios shall be referred by the Company or RTA to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on 31st December, 2025. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they maintain their demat accounts. Members holding shares in physical form can submit their PAN to the Company / RTA of the Company.

20. Regulation 40 of Listing Regulations, as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, vide its Circular dated 25th January, 2022, has clarified that listed companies, with immediate effect, shall issue the securities only in demat mode while processing investor service requests pertaining to issuance of duplicate shares, exchange of shares, endorsement, sub-division/ consolidation of share certificates, etc. In view of this as also to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to demat mode.

21. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Act. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in the Company or Company's RTA, M/s. Link Intime India Private Limited. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.

22. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to write to the Company's RTA enclosing the share certificates for consolidation into a single folio. Non-Resident Indian Members are requested to inform to the RTA of the Company, immediately of:

    a. Change in their residential status on return to India for permanent settlement.

    b. Particulars of their bank account maintained in India with complete name, branch, account type, IFSC, account number and address of the bank with pin code number, if not furnished earlier.

23. Pursuant to the provisions of Section 124 of the Act, the applicable rules and amendments thereto and notifications issued by the MCA from time to time, the amount of dividend remaining unpaid or unclaimed for a period of 7 (seven) years from the due date and all those shares in respect of which dividend has not been encashed or claimed by Members for 7 (seven) consecutive years or more are required to be transferred to the Investor Education and Protection Fund (hereinafter referred to as "IEPF"), constituted by the Central Government. All unclaimed Dividends upto the financial year ended 31st March, 2014, if any, and as per Section 124(6) of the Companies Act, 2013 shares in respect of which dividend has not been encashed or claimed for seven consecutive years, have been transferred to the IEPF. It may please be noted that once the unclaimed dividend is transferred to the said Fund, as above, no claims shall lie against the Company. However, claim can be made from

the Fund in accordance with the Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended till date. Further, pursuant to the provisions of the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of the unpaid and unclaimed amounts on the website of the Company i.e. www.mcil.net and also on the website of MCA.

24. The voting rights of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cutoff Date and as per the Register of Members of the Company.

DECLARATION OF VOTING RESULTS

25. The Board has appointed M/s Anshul Jain & Associates, Practicing Company Secretaries (FCS No. 11768, CP No. 16118) as the Scrutinizer for conducting the e-voting process and voting at the AGM in a fair and transparent manner.

26. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting to be cast by use of e-voting facility 'Insta Meet' of LIIPL, for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

27. The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 2 working days from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, NSDL,CDSL and RTA and will also be displayed on the Company's website i.e. www.mcil.net and on the website of LIIPL i.e. https://instavote.linkintime.co.in.

REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

1. **Individual Shareholders holding securities in demat mode with NSDL**

    1. Existing IDeAS user can visit the e-Services website of NSDL viz... https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login"" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.

    2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

    3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. **Individual Shareholders holding securities in demat mode with CDSL**

    1. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made

available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.

2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. **LINKINTIME**. Click on **LINKINTIME** and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration.

4. Alternatively, the user can directly access e-Voting page by providing demat account number and **PAN No.** from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **LINKINTIME.** Click on **LINKINTIME** and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

3. Individual Shareholders (holding securities in demat mode) login through their depository participants:

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in

2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -

   A. User ID: Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

   B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

   C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

   D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

   *Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above
   *Shareholders holding shares in NSDL form, shall provide 'D' above

   Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
   Click "**confirm**" (Your password is now generated).

3. Click on '**Login**' under **'SHARE HOLDER'** tab.

4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.

2. E-voting page will appear.

3. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

4. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorized representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

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

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'

o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: https://instameet.linkintime.co.in

▸ Select the "Company" and 'Event Date' and register with your following details: -

Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
- Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
- Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP) / Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

▸ Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the cs@mcilindia.net.

2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.

3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.

4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.

5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"

2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‹Submit›.

3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against›.

5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

By order of the Board of Directors
For Metal Coatings (India) Limited

Sd/-
Aditi Singh
Company Secretary
Membership No. : A65305

Date :13th July, 2022
Place : New Delhi

Registered Office:
912, Hemkunt Chambers,
89, Nehru Place,
New Delhi-110019
CIN: L74899DL1994PLC063387
Website: www.mcil.net
e-mail: info@mcilindia.net
Phone: 011-41808125

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Pursuant to Section 102 (1) of the Act, the following explanatory statement sets out all material facts relating to the business mentioned under item No. 3 to 5 of the accompanying Notice:

ITEM NO. 3

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr. Sachin Khurana (DIN: 06435657) as an Additional Director in the Category of Non-Executive - Independent Director of the Company, not liable to retire by rotation, for a term of 2 years i.e. from 19th May, 2022 to18th May, 2024, subject to approval of the Members by the way of Special Resolution.

Pursuant to the provisions of Section 161(1) of the Act, the Additional Director shall hold office up to the date of this Annual General Meeting ("AGM") and is eligible to be appointed as Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member(s), proposing his candidature for the office of the Director.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, the name of **Mr. Sachin Khurana (DIN: 06435657)** has been included in the data bank maintained by the Indian Institute of Corporate Affairs.

The Company has received the declaration from Mr. Sachin Khurana to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (" Listing Regulations"). In terms of Regulation 25(8) of the Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. In the opinion of the Board, Mr. Sachin Khurana fulfills the conditions specified in the Act, Rules and the Listing Regulations for appointment as Independent Director and he is independent to the management of the Company. The terms and conditions of appointment of Mr. Sachin Khurana and other documents referred above shall be available for inspection electronically by members upto the date of Annual General Meeting.
The Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval by the members.

ITEM NO. 4

M/s. Khandelwal Busar Industries Private Limited ("KBIPL") is a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
In terms of the provisions of Section 188 of the Companies Act, 2013 and the Listing Regulations, the contracts/arrangements/transactions relating to sale, purchase, transfer or receipt of goods, materials, assets or services and leasing of property of any kind with KBIPL are material in nature as these transactions are likely to exceed one thousand crore or ten percent of the annual consolidated turnover of the Company as per the last audited financial statement of the Company, whichever is lower. The particulars of the Material Related Party Contracts/Arrangements/Transactions are as under:

Name of the Related Party	**M/s. Khandelwal Busar Industries Private Limited**
Name of the Director or Key Managerial Personnel who is related and relationship	Mr. Pramod Khandelwal, Managing Director and Mr. Ramesh Chander Khandelwal, Whole Time Director of the Company are directors in KBIPL.
Material Terms of the Contracts/Arrangements/Transactions	Sale, purchase, transfer or receipt of goods, materials, assets or services and leasing of property of any kind etc. on arm's length basis.
Monetary Value	The value of transactions is likely to be a maximum amount of Rs. 75.00 (Seventy five) crore.
Other information	All prices with KBIPL are agreed based on market competitiveness. The material contracts/arrangements/transactions with KBIPL have been approved by the Audit Committee and Board of Directors recommending the same to the Members of the Company for their approval.

As per the requirements of Regulation 23(4) of the Listing Regulations, all material related party transactions shall require the approval of Members through a Resolution. Further, the explanation to Regulation 23(1) of the Listing Regulations provides that a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during the financial year, exceeds one thousand crore or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.
Hence, it is proposed to accord Members' approval for the related party Contract(s) / Arrangement(s) / Transaction(s) with KBI-PL during Financial Year 2022-23, as mentioned in Item No. 4 of the Notice.
The Board recommend the resolution set out at Item No.4 of the Notice as Ordinary Resolution for approval of the shareholders.

Except Mr. Pramod Khandelwal, Managing Director and Mr. Ramesh Chander Khandelwal, Chairman & Whole Time Director of the Company and their relatives none of the Directors/KMP of the Company and their relatives is interested, financially or otherwise, in the proposed resolution.

ITEM NO. 5

The Company is required under Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, to have the audit of its cost records for products covered under the Companies (Cost Records and Audit) Rules, 2014 conducted by a Cost Accountant in Practice.

The Board of Directors at its meeting held on 13th July, 2022 on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Mr. Ramawatar Sunar, Cost Accountant (Firm Registration Number 100691) to conduct the audit of the cost records of the Company for the financial year 2022-23 at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) plus applicable taxes.
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In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and as approved by the Board of Directors, has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ended 31st March, 2023.

None of the Directors / Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.5 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

ANNEXURE 1

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT/ RETIRING BY ROTATION AT THE ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards-2 on General Meetings]

Name of the Director	Mr. Ramesh Chander Khandelwal	Mr. Sachin Khurana
DIN	00124085	06435657
Date of Birth and Age	31st December, 1950 & 71 Years	18th July, 1990 & 32 Years
Date of appointment on the Board	12th December, 1994	19th May, 2022
Qualifications	BE (Mech.)	M. Com., LLB & Company Secretary
Experience and Expertise	More than 49 years of industrial experience. During his tenure he has served as key executive in different institutions/ Companies. He looks after the Technical and Manufacturing Operations of the Company.	More than 8 Years' experience in multiple industries and have expertise in the secretarial and legal matters.
Number of Meetings of the Board attended during the year	9 out of 9	NA
List of Directorship / Membership / Chairmanship of Committees of other Board	Directorship: Private Company 1-Khandelwal Busar Industries Private Limited 2- G S Buildtech Private Limited Does not hold any position as Member / Chairman of Committees of Boards of other Companies as on 31st March, 2022.	Directorship: Private Company RMG Corporate Services Private Limited
Listed entities from which the person has resigned from the post of Directorship / Membership of Committee of the Board in the past three years	Nil	Nil
Shareholding in Metal Coatings (India) Limited	11,84,759 equity shares	Nil
Relationship with other directors, manager and other Key Managerial Personnel of the Company	Nil	Nil

Terms and Conditions of appointment/re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person	Terms and Conditions of appointment or re-appointment are as per the Nomination and remuneration Policy of the Company as displayed on the Company's website i.e. www.mcil.net Remuneration last drawn was Rs. 162.12 Lakh during the financial year 2021-22.	Terms and Conditions of appointment or re-appointment are as per the Nomination and remuneration Policy of the Company as displayed on the Company's website i.e. www.mcil.net Remuneration sought to be paid – Sitting Fees as may be approved by the Board of Directors in accordance with the applicable provisions of the law. Remuneration last drawn - NA
Shareholding of non-executive directors	NA	Nil
Justification for choosing the appointees for appointment as Independent Directors	NA	Having proficiency in all matters related to Companies Act, Intellectual Property Rights (Registered Trade Mark Agent), FEMA and its regulations, various business laws and assisting in setting up of businesses in India. He has command over compliance management services with regard to Company Law, statutory reporting, secretarial audits, various labour laws and other statutory requirements.

By order of the Board of Directors
For Metal Coatings (India) Limited

Sd/-
Aditi Singh
Company Secretary
Membership No. : A65305

Date: 13th July, 2022
Place: New Delhi

Registered Office:
912, Hemkunt Chambers,
89, Nehru Place,
New Delhi-110019
CIN: L74899DL1994PLC063387
Website: www.mcil.net
e-mail: info@mcilindia.net
Phone: 011-41808125