



Steel Exchange India Limited

Regd. Office : 303, My Home Laxminivas Apartments, Greenlands, Ameerpet, Hyderabad - 500 016. T.S
Phone: +91-40-23403725, Fax : +91-40-23413267

Corp. Office : Block-A, Green City Towers, Green City, Near Apparel Export Park,
Vadlapudi (Post), Visakhapatnam-530049, Andhra Pradesh
Phone: +91-891-2587175, 2587573, Fax : +91-891-2749215, 2749218

www.seil.co.in

GST NO: 37AABCP9362L1ZV

CIN No. : L74100TG1999PLC031191

E-mail : info@seil.co.in

4th September, 2021

To
The Manager,
Department of Corporate Services,
BSE Limited
P.J. Towers, Dalal Street,
Port, Mumabi – 400001

To
The Manager,
Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051

Scrip Code: 534748

Scrip ID: STEELXIND

Dear Sir,

Sub: - Submission of Annual Report under Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report 2020-21 of Steel Exchange India Limited for your reference and records. The said Annual Report for Financial Year 2020-21, has been sent through electronic mode to the shareholders of the Company.

Yours Faithfully,

For Steel Exchange India Limited

Raveendra Babu M
Company Secretary
M.No: A34409



CCto: The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata – 700 001

Encl: Annual Report 2020-21 of the Company

WORKS

Integrated Steel Plant	: Sreerampuram, L.Kota Mandal, Vizianagaram District-535161. Phone : 08966-267172, Fax : 08966-267218
Power Plant & SMS	: Opp. Mandapalli New Bridge, Kothapeta, East Godavari District-533223. Phone: 08855-244400, Fax : 08855-244406
Re-Rolling Unit	: Plot No : 1, I.D.A. Edulapaka Bonangi, Paravada Mandal, Visakhapatnam-531201. Phone: 08924-247055, Fax: 08924-247685

STEEL EXCHANGE INDIA LIMITED

CIN : L74100TG1999PLC031191



Simhadri TMT 
WORLD CLASS STEEL BARS

22nd ANNUAL REPORT
2020 - 2021



60 MW Captive Power Plant



Material Handling



Rolling Mill



132KVA Sub Station



Simhadri TMT

WORLD CLASS STEEL BARS



STEEL EXCHANGE INDIA LTD

Strengthening Our Planet



Simhadri TMT



BOARD OF DIRECTORS

B. SATISH KUMAR	Chairman & Managing Director
B. RAMESH KUMAR	Joint Managing Director, CFO
B. SURESH KUMAR	Joint Managing Director
V. V. KRISHNA RAO	Director
B. SURESH	Director
R. RAMACHANDRA RAO	Independent Director
C. SIVA PRASAD	Independent Director
K. KRISHNA RAO	Independent Director
E. SANKARA RAO	Independent Director (Additional)
SUJATA CHATTOPADHYAY	Independent Director

CHIEF FINANCIAL OFFICER
B RAMESH KUMAR

COMPANY SECRETARY
RAVEENDRA BABU M

STATUTORY AUDITORS

M/s. Bhavani & Co.,
Chartered Accountants,
Plot No-48, Flat No-301, 3rd Floor, Micasa, Phase-1,
Kavuri Hills, Hyderabad-500033

SECRETARIAL AUDITORS

M/s. B S S & Associates
Company Secretaries
Hyderabad.

COST AUDITORS

D Zitendra Rao,
Cost and Management Accountants, Hyderabad.

BANKERS & FINANCIAL INSTITUTIONS

Edelweiss Alternative Asset Advisors Limited

REGISTRARS & SHARE TRANSFER AGENTS

Venture Capital and Corporate Investments Private Limited,
12-10-167, Bharatnagar, Hyderabad - 500 018
Telephone: +91 - 40 - 23818475 / 76 Fax: +91 - 40 - 23868024,
Email: info@vccipl.com and investor.relations@vccipl.com

REGISTERED OFFICE

303, My Home Laxmi Nivas, Greenlands, Ameerpet, Hyderabad - 500 016
Telephone No: +91-40-23403725 Fax No: +91- 40- 23413267
www.seil.co.in email: cs@seil.co.in CIN: L74100AP1999PC031191

CORPORATE OFFICE:

Block A, 4th Floor, Green City Towers, Green City, Vadlapudi, Visakhapatnam - 530 046.
Telephone: +91-891-2587175, 2587573 Fax: +91-891-2749215

Manufacturing Facilities and Products

S. No.	Facility	Location	Capacity
1.	Integrated Steel Plant		
	<i>Sponge Iron Unit (Acquired from GSAL)</i>		<i>220000 TPA</i>
	<i>Billet / Steel Melting Shop (SMS)</i>	<i>Sreerampuram, L. Kota Mandal, Vizianagaram District, Andhra Pradesh</i>	<i>250000 TPA</i>
	<i>Rolling Mill</i>		<i>225000 TPA</i>
	<i>Captive Thermal Power Plant</i>		<i>60 MW</i>
2.	Ingot Division	<i>Kothapeta, East Godavari District, Andhra Pradesh</i>	<i>90000 TPA</i>
3.	<i>Captive Natural Gas Power Plant</i>		<i>11.64 MW</i>



Sponge Iron



Billets



Rebars



Coal Power



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22nd ANNUAL GENERAL MEETING

Date : 27th September, 2021
Day : Monday
Time : 2.00 P.M.
Mode of meeting : Through Video Conferencing (VC) /
other Audio Visual Means (OAVM)

NOTICE

Notice is hereby given that the 22nd Annual General Meeting (AGM) of the Members of **Steel Exchange India Limited** (the Company) will be held on **Monday, the 27th day of September, 2021 at 2.00 P.M.** (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") without the physical presence of the Members at a common venue, in compliance with General Circular No. 14/2020, 17/2020, 20/2020 and 02/2021 issued by Ministry of Corporate Affairs (MCA Circulars), to transact the businesses mentioned below.

The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2021 and Reports of Board and Auditors thereon.
2. To appoint a director in the place of Mr. Bavineni Suresh (DIN: 00181832), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in the place of Mr. Veeramachaneni Venkata Krishna Rao (DIN: 00206884), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

4. Re-appointment of Shri Bandi Ramesh Kumar (DIN: 00206293), as Whole time Director of the company
To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification, amendments or re-enactments thereof for the time being in force) and in accordance with the Articles of Association of the company and such other approvals, permissions and sanctions, consent of the company be and is hereby accorded to the re-appointment of Shri. Bandi Ramesh Kumar (DIN: 00206293) as a Whole time Director designated as Joint Managing Director of the Company for a period of three years with effect from February 09, 2021 on the terms and conditions including remuneration as stated in the explanatory statement annexed to this notice with liberty to the Board of Directors (hereinafter referred to as the 'Board' which term shall be deemed to include Nomination and Remuneration Committee of the Board) to vary and alter the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be acceptable Shri Bandi Ramesh Kumar, subject to the same not exceeding the limits specified in Schedule V and other applicable provisions, if any, of the Act as amended from time to time.
RESOLVED FURTHER THAT Mr. Bandi Satish Kumar (DIN: 00163676), Executive Chairman and Managing Director of the Company and Mr. Raveendra Babu M, Company Secretary & Compliance officer of the Company be and are hereby severally authorised to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution."
5. Appointment of Mr. E. Sankara Rao (DIN: 05184747), as Independent Director of the company
To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("Act, 2013") and the allied rules made thereunder, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations") and other applicable provisions, if any, (including any statutory modification or reenactment thereof), Mr. E. Sankara Rao (DIN: 005184747), who was appointed as an Additional Director (Independent and Non-Executive) of the Company, with effect from May 28, 2021 under Section 161 of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting of the Company, and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, being so eligible, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from May 28, 2021 to May 27, 2026."

RESOLVED FURTHER THAT Mr. Bandi Satish Kumar (DIN: 00163676), Executive Chairman and Managing Director of the Company and Mr. Raveendra Babu M, Company Secretary & Compliance officer of the Company be and are hereby severally authorised to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution."

6. Ratification of remuneration of the Cost Auditors for the Financial Year ending 31st March, 2022

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 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby ratifies the remuneration of Rs.6.00 lakh plus applicable taxes payable to Mr. D Zitendra Rao, Cost Accountant (Membership Number: 10087), who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company, for the Financial Year ending March 31, 2022."

7. Approval for Related Party Transactions of the Company for the Financial Year 2021-22.

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 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, 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 transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with SAWP Steel Limited and Vizag Profiles Private Limited, related parties within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for Sale, Purchase of Goods or Services and lease rent, on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of Rs.250 Crore for the financial year 2021-22."

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director(s), Chief Financial Officer, Company Secretary or any other Officer(s) / Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s)."

By Order of the Board of Directors
For Steel Exchange India Limited

Place: Hyderabad
Date: 09.08.2021

Raveendra Babu M
Company Secretary
M.No: A34409

Notes:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2020 dated January 13, 2021 ("MCA Circulars")The forthcoming Annual General Meeting (AGM) will thus be held through through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting



- votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL .
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
 4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013
 5. Pursuant to MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
 6. Voting during the AGM: Members who are present at the e-AGM through VC and have not cast their vote on resolutions through remote e-voting, may cast their vote during the e-AGM through the e-voting system provided by CDSL in the Video Conferencing platform during the e-AGM. Kindly refer below for instruction for e-voting during the AGM.
 7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.seil.co.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/) i.e., www.evotingindia.com..
 8. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 ,MCA Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2020 dated January 13, 2021.
 9. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021
 10. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act), relating to the Special Business under Item Nos. 4, 5, 6 and 7 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards-2, of the persons seeking re-appointment as Directors / Independent Directors, are also annexed.
 11. Brief profile of Mr. V V Krishna Rao, Mr. B Suresh, Mr. B Ramesh Kumar and Mr. E. Sankara Rao, Directors proposed to be appointed / reappointed along with the names of the Companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and other details as required under Secretarial Standard on General Meetings and Regulations 36(3) of the Regulations are also annexed to this notice.
 12. In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 issued by MCA and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s)
 13. The registers i.e Register of Directors and Key Managerial Personnel and their shareholding and Register of Contracts or Arrangements in which directors are interested maintained under Section 170 and Section 189 of the Act respectively will be available electronically for inspection by members during the AGM. All documents referred to in this Notice and the Explanatory Statement annexed hereto 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, i.e., September 27, 2021. Members seeking to inspect such documents can send an email to cs@seil.co.in.



14. As per Regulation 40 of the Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and 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 dematerialized form. Members can contact the Company's Registrars and Transfer Agents, M/s. Venture Capital & Corporate Investments Private Limited, Hyderabad for assistance in this regard.
15. To support the 'Green Initiative', members who have not registered their e-mail addresses so far are requested to register their e-mail address with their Depository participants (DPs), in case the shares are held by them in electronic form/Demat form and with Venture Capital & Corporate Investments Private Limited, in case the shares are held by them in physical form for receiving all communication(s) including Annual Report, Notices, Circulars, etc. from the Company electronically. Alternatively, members holding shares in physical form are requested to send their email address and mobile number to the company mail id cs@seil.co.in .
16. Members are requested to register or intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc to their Depository Participants with whom they are maintaining their demat accounts in case the shares are held by them in electronic form/demat form and to Venture Capital & Corporate Investments Private Limited in case the shares are held by them in physical form.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar. SEBI has also mandated, that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company.
18. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, the 20th day of September, 2021 to Monday, the 27th day of September, 2021 (both days inclusive).
19. Remote e-Voting: Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members through e-Voting agency M/s. with Central Depository Services (India) Limited (CDSL) Only those Members, whose names appear in Register of Members / List of beneficial owners as on Monday, September 20, 2021 ("Cut-off Date") shall be entitled to vote (through remote e-voting and during AGM) on the resolutions set forth in this Notice and their voting rights shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off Date. A person who is not a member as on the Cut-off Date should treat this Notice for information only.
20. The Board of Directors has appointed M/s B S S & Associates, Company Secretaries, as the Scrutinizer to scrutinize the remote e-voting and voting during the AGM in a fair and transparent manner.
21. The Scrutinizer will make a consolidated Scrutinizer's Report of the total votes cast in favour or against and invalid votes, if any, to the Chairman / Managing Director of the Company or in his absence to any other Director authorized by the Board of Directors, who shall countersign the same. Based on the Scrutinizer's Report, the result will be declared by the Chairman / Managing Director or in his absence by the Company Secretary within 48 hours from the conclusion of the AGM at the Registered Office of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM i.e., September 27, 2021.
22. Pursuant to the provisions of Section 72 of the Companies Act, 2013, the member(s) holding shares in physical form may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. Member(s) holding shares in demat form may contact their respective Depository Participant for availing this facility
23. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of



the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for 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@seil.co.in

24. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants and Members holding shares in physical form are requested to intimate any change of address and/ or bank mandate to M/s. Venture Capital and Corporate Investments Private Limited/ Investor Service Department of the Company immediately
25. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from, 01st April 2019, except in case of request received for transmission or transposition of securities. In view of this and 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 dematerialised form. Members can contact the Company or Company's Registrars and Transfer Agents, M/s Venture Capital and Corporate Investments Private Limited for assistance in this regard.
26. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
27. 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 at the AGM.
28. A proxy is allowed to be appointed under Section 105 of the Companies Act, 2013 to attend and vote at the general meeting on behalf of a member who is not able to attend personally. Since the AGM will be convened through VC / OAVM, there is no requirement of appointment of proxies. Hence, Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The remote e-voting period begins on 24th September, 2021 at 9:00 am and ends on 26th September, 2021 at 5:00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20th September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/ retail shareholders is at a negligible level.

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

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

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 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 e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is 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://www.evoting.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 and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.



- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.
- Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@seil.co.in or csravindra.seil@gmail.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance at least 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

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

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

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013, AS AMENDED ('ACT')

Item No 4

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on December 18, 2020 approved the re-appointment of Mr. Bandi Ramesh Kumar (DIN:00206293) as Whole-time Director of the company with designation of Joint Managing Director of the company with effect from February 09, 2021 in accordance with the provisions contained in Section 196 and 197 read with Schedule V of the Companies Act, 2013 for a period of three years on the terms and conditions including remuneration and perquisites etc., as mentioned below.

1. Salary : Rs. 5, 00,000/- Per Month
2. Commission : Nil
3. Perquisites/ Allowances :

i) Medical Reimbursement:

Reimbursement of expenses incurred in India and/or abroad for medical treatment of self and his family, subject to a ceiling one month's salary in a year or three month's salaries over a period of three years.

ii) Leave Travel Concession:

Reimbursement of actual travelling expenses for self and his family, once in a year for proceeding on leave in accordance with the rules of the Company.

Explanation:

For (i) and (ii) Family means the spouse, dependent children and the dependent parents

iii) Motor Car and Telephone:

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Private use of car and personal long distance calls on telephone shall be billed by the Company.

iv) Other Perquisites:

Subject to the overall ceiling on remuneration of the Joint Managing Director, he may be given any other allowances, benefits and perquisites as the Board of Directors from time to time, decide, whose value together with the perquisites mentioned above, shall not exceed 10% of the salary per month.

Notwithstanding anything to the contrary contained herein, in the event of absence or inadequacy of profits in any financial year during the term of office of Mr. Bandi Ramesh Kumar as Joint Managing Director, the Company will, subject to applicable laws, pay him the remuneration and perquisites as detailed above with such increments/ revision as may be approved from time to time as the Minimum Remuneration in accordance with Section II of Part II of the Schedule V of the Act. Accordingly, the statement as required under Section II of Part II of the Schedule V to the Act is as follows:

I. General Information				
1	Nature of industry	The Company is a leading manufacturer of Steel with "Simhadri TMT" Bars and Power Production.		
2	Date or expected date of commencement of commercial production	24.02.1999		
3	In case of new companies, expected date of commencement activities as per project approved by financial institutions appearing in the prospectus	Not Applicable		
4	Financial performance based on given indicators	(Rupees in Lakhs)		
		Description	2020-2021	2019-2020
		Total Revenue	92204.77	79142.14
		Total Expenditure	77941.50	75225.16
		Profit/(loss) before Tax	14263.27	3916.98
		Net current tax expense	(265.30)	(2512.51)
		Net Profit / (loss)	14009.64	6416.44
4	Foreign investments or collaborators, if any	Nil		



II. Information on about the appointee

1	Background details	He is an electrical engineering graduate from NITK-Surathkal. He started his career in Bhadrachalam Paper boards (ITC Group Company) as a Management Trainee. Thereafter he worked with Vizag Steel Plant (RINL) at Visakhapatnam from 1990 till 2000. During this period, he worked in various capacities serving departments like maintenance, materials management, marketing and systems. He is associated with Steel Exchange India Limited since inception in different capacities and presently as Chief Financial Officer
2	Past Remuneration	60.00 Lakhs per Year
3	Recognition or awards	N. A
4	Job profile and his suitability	As Joint Managing Director cum CFO of the Company he is responsible for the Plant operations and Accounts and Finance of the Company, subject to the superintendence, guidance and control of the Board of Directors. Taking into account his previous experience, educational background, knowledge about the industry and the nature and size of operations of the Company, he is a fit and proper person as the Joint Managing Director cum CFO of the Company
5	Remuneration proposed	60.00 Lakhs per Year
6	Comparative remuneration Profile with respect to Industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t the country of his origin)	Taking into consideration the size of the Company, the profile of Mr. B Ramesh Kumar and the responsibilities shouldered on him and the industry bench marks, the proposed revised remuneration is reasonable, justified and commensurate with the remuneration packages paid in the comparable Companies.
7	Pecuniary relationship directly or indirectly with company or relationship with the managerial personnel, if any	Brother of Mr. B Satish kumar, Managing Director and Mr. B Suresh Kumar, Joint Managing Director of the company. Brother of Mr. B Satish Kumar, Managing Director and Mr. B Ramesh Kumar, Joint Managing Director c

III. Other Information

1	Reasons of loss or inadequate profits	The company did not incur any loss in the year 2020-21 and barring unforeseen circumstances, there is no likelihood of the company incurring any loss during his proposed tenure as the Whole time Director
2	Steps taken of proposed to be taken for improvement	The Company has initiated various steps to improve its operational performance/liquidity, including lowering its operating cost, Improved productivity and cost control measures have been put in place.
3	Expected increase in productivity and profits in measurable terms	The Company expects that the improvement in steel demand will enable increase in production levels and profitability. The management Continues to be optimistic towards the external economic environment and expects steel demand to become more consistent and robust in the current financial year. Further, the company successfully various steps (including debt resolution scheme with lenders) taken would contribute in increased revenues and higher margins.

The Board of Directors recommends the resolution in relation to the reappointment of Mr. Bandi Ramesh Kumar as Joint Managing Director for the approval of the members of the Company.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013 and pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Except Mr. B. Ramesh Kumar himself, Mr. B. Satish Kumar and Mr. B. Suresh Kumar and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in this resolution set out at item no. 4. Approval of the members is required by way of Special Resolution for re-appointment and payment of remuneration.

The disclosure pursuant to Secretarial Standards and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided at Annexure to this Notice.

Item No. 5

The Board of Directors, at their meeting held on May 28, 2021, on the recommendation of the Nomination & Remuneration Committee, appointed Mr. E. Sankara Rao (DIN: 05184747) as an Additional Director in independent category pursuant to Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. E. Sankara Rao will hold office up to the date of the ensuing AGM.

The Nomination and Remuneration Committee and the Board of Directors of the Company at their meeting held on May 28, 2021, recommended the appointment of Mr. E. Sankara Rao (DIN: 05184747), as an Independent Director, not liable to retire by rotation, for a term of five years from 28th May, 2021 to 27th May, 2026.

Mr. E. Sankara Rao (DIN: 05184747), has given his consent to act as a Director in terms of Section 152 of the Act, 2013. Further, the Company has, in terms of Section 160 of the Act, 2013, received in writing a notice from him, signifying his candidature as a Director and also received a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) and (7) of the Act, 2013 read with Rules framed thereunder and Regulation 16(1)(b) read with Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations").

In terms of Regulation 25(8) of the SEBI 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, he fulfils the condition specified in the Act, 2013, Rules framed thereunder and the SEBI Listing Regulations, for being appointed as an Independent Director and he is independent of the management of the Company.

The Company has also received a declaration to the effect that Mr. E. Sankara Rao (DIN: 05184747), is not disqualified from being appointed as a Director in terms of Section 164 of the Act, 2013 and he is not debarred from holding the office of Director by virtue of SEBI Order or any other authority, pursuant to BSE circular dated 20th June, 2018.

Further, the Board of Directors of the Company is of the opinion that Mr. E. Sankara Rao (DIN: 05184747) is a person of integrity and has relevant experience and expertise to be appointed as Independent Director of the Company, for the aforesaid term. Mr. E. Sankara Rao will be entitled to a remuneration by way of sitting fees in line with the entitlement of other Independent Directors of the Company as approved by the Board of Directors and/or members of the Company from time to time.

Pursuant to the provisions of Rule 6 of the Companies (Appointment and qualifications) Rules, 2014, the name of Mr. E. Sankara Rao has been included in the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs ('Institute').

A draft letter of appointment of Mr. E. Sankara Rao as an Independent Director setting out the terms and conditions of his appointment and notice under Section 160 will also be available for inspection electronically as the same would be uploaded on the website of the Company at www.seil.co.in. The aforesaid documents shall also be made available for physical inspection on all working days, except Saturday, between 11:00 a.m. and 1:00 p.m. up to the date of the ensuing Annual General Meeting at the Registered Office of the company and copies thereof shall also be made available for inspection in physical or electronic form at the Registered Office as well as Corporate Office of the company.

Mr. E. Sankara Rao and his relatives are interested in the resolution. None of the Directors or Key Managerial Personnel of the Company, and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution mentioned at Item No. 5 of the Notice.

The Board recommends the resolution set forth in Item No. 5 for the approval of Members by way of Special Resolution.

Item No. 6

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. Based on the documents available and the discussions held at the meeting of the Audit Committee, it considered and recommended the appointment and remuneration of the Cost Auditor to the Board of Directors ('Board'). The Board has, on the recommendation of the Audit Committee, approved the appointment and remuneration of Mr. D Zitendra Rao, Cost and Management Accountants as the Cost Auditor of the Company for the FY2021-22.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company. The Board of Directors has fixed the remuneration payable to the Cost Auditors for FY2021-22 at Rs.6.00 lakh plus applicable taxes. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditor of the Company for the Financial Year ending March 31, 2022.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the Resolution mentioned at Item No. 6 of the Notice.

The Board recommends the Resolution set forth at Item No. 6 for the approval of the Members by way of Ordinary Resolution.

Item No. 7

The Members of the Audit Committee of Steel Exchange India Limited ('SEIL'/Company'), had, on May 28, 2021, granted an omnibus approval for related party contract(s) / arrangement(s) for a value of Rs.250 crore for FY2021-22 for procurement of Required Raw Material and other services from M/s. Vizag Profiles Private Limited & M/s. SWAP Steel Limited. The estimated value of the contract(s) / arrangement(s) exceeds the threshold limit of 10% of the annual turnover as per the last audited financial statements of the Company for FY2020-21, then amounting to a material related party transaction in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

To ensure that the operations of the Company are not interrupted, approval of the Members is being sought, for entering into related party transaction(s) with Vizag Profiles Private Limited and SAWP Steel Limited for a maximum aggregate value of Rs. 250.00 crore for FY 2021-22.

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, 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 10% of the annual turnover of the Company as per the last audited financial statements of the Company.

Vizag Profiles Private limited and SAWP Steel Limited both are related parties in terms of Regulation 2(1) (zb) of the Listing Regulations. The estimated maximum aggregate value of the above-mentioned transaction(s) with both companies is for FY 2021-22 is expected to be Rs. 250.00 crore, which would breach the materiality threshold of 10% of the annual turnover of the Company as per the last audited financial statements of the Company for FY 2020-21.

Hence, to ensure uninterrupted operations of the Company, it is proposed to secure the Members' approval for related party contract(s)/arrangement(s) to be entered into with Vizag Profiles Private limited and SAWP Steel Limited for a maximum aggregate value of Rs. 250.00 crore for FY 2021-22.



Your Company requires sufficient raw materials for smooth operations of the company and to ensure stability of supplies in terms of quality and logistics, your Company proposes to enter into transaction(s) with M/s. Vizag Profiles Pvt. Ltd. and M/s. SAWP Steel Ltd., which are associated entities of the company.

Section 188 of the Act and the applicable Rules framed thereunder provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company. Accordingly, transaction(s) entered into with the both entities come within the meaning of Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations.

Pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transaction(s) etc. are as under:

Name of the related party	Vizag Profiles Pvt. Ltd.	SAWP Steel Ltd.
Name of the Director or KMP who is related, if any	Shri B Suresh Kumar Shri B Suresh Shri V V Krishna Rao	Mr. Mohit Sai Kumar Bandi, S/o. Mr. Bandi Ramesh Kumar, and other relatives of directors holding more than 20 percent of total shareholding in M/s. SAWP Steel Limited
Nature of relationship	Group Company/Common Directors	Holding more than 20 percent of Shareholding by Director and immediate relative of Director.
Nature, material terms, monetary value and particulars of the contract or arrangements	Sale, purchase or supply of goods or materials Availing or rendering of services and leasing of property	Sale, purchase or supply of goods or materials Availing or rendering of services and leasing of property
Any other information relevant or important for the members to take a decision on the proposed resolution.	Raw material available with related party in-house and of desired quality at market price.	Raw material available with related party in-house and of desired quality at market price.

Except Shri B Suresh Kumar, Shri Bandi Ramesh Kumar, Shri B Suresh, Shri V V Krishna Rao and their relatives, none of the Directors and/or Key Managerial Personnel of the Company and/or their relatives (to the extent of their shareholding in the Company, if any) are concerned or interested, either directly or indirectly, in the Resolution mentioned at Item No. 7 of the Notice.

The Board recommends the Resolution set forth at Item No. 7 in the Notice for approval of the Members by way of Ordinary Resolution.



Additional information as required under SS -2 notified under Section 118 (10) of the Companies Act, 2013

Name of the Director	Bavineni Suresh	V.V. Krishna Rao	B Ramesh Kumar	E. Sankara Rao
Category	Non-Executive and Non-Independent	Non-Executive and Non-Independent	Executive Director	Non-Executive Independent Director
DIN	00181832	00206884	00206293	05184747
Date of Birth	30.08.1968	10.06.1948	05.06.1962	31/12/1960
Age	53 Years	73 Years	59 Years	60 Years
Nationality	Indian	Indian	Indian	Indian
Date of Appointment	28.02.2000	12.01.2000	09.02.2021	28.05.2021
Qualification	B. Tech. M.B. A	M.A.	B. Tech from NIT Surathkal	-B. E from Andhra University, -M. Tech from IIT Kharagpur
Occupation	Business	Business	Business	Professional
Experience	Having more than 21 years of Experience in Finance and Steel Industries	Having More than 41 years of Experience in Steel industry.	Having More than 28 years of Industrial Experience	Having More than 30 years of top management and 8 years of Board Level experience in multiple fields.
terms and conditions	Appointment is subject to retires by rotation and being eligible, offers himself for re-appointment	Appointment is subject to retires by rotation and being eligible, offers himself for re-appointment	Elaborated Terms and Conditions are given in explanatory statement of this notice as item No 4	Elaborated Terms and Conditions are given in explanatory statement of this notice as item No 5
remuneration sought to be paid	Nil	Nil	60.00 Lakhs per Year	Will be paid Sitting Fees only
remuneration last drawn by such person	Nil	Nil	60.00 Lakhs per Year	Nil
Expertise	Rich Experience of more than 21 years in Finance and Steel Industries	More than 41 years of Experience in Marketing and Steel industry.	More than 30 years of Experience in Maintenance, Materials management, Marketing and Financial Systems.	Having 30 years of top management and 8 years of Board Level experience & expertise in Infrastructure & Industry, Banking & Finance, Institutional Development and Business Schools & Institutions Management. Served in prestigious Govt of India All India Developmental Financial Institutions like IFCI Ltd & Subsidiaries, IIFCL & Subsidiaries, IDFC, IDBI, MDI and ILD



Relationship with Directors	None	None	Brother of Mr. Bandi Satish Kumar and Mr. Bandi Suresh Kumar	None
Directorships in other companies as on March 31, 2021	1.Vizag Profiles Pvt Ltd 2.Umashiv Garments Pvt. Ltd 3.Simhadri Wires Pvt. Ltd 4.Satyatej Vyapaar Pvt. Ltd	1.Vizag Profiles Pvt Ltd	1.Simhadri Pellets India Limited	Nil
Chairman/Member of the committee of the Board of Directors as on March 31,2021	Nil	Nil	Nil	Nil
Number of Equity Shares held in the Company as on March 31,2021	11,38,350 Equity shares of Rs. 10/- each	6,43,736 Equity shares of Rs.10/- each	3,19,418 Equity shares of Rs.10/- each	Nil
the number of Meetings of the Board attended during the year	5	5	5	N. A
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	Nil	Nil	Nil	Coastal Corporation Ltd.

Important Communication to Members:

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants and members who hold shares in physical form, may register the same with:

Registrars and Share Transfer Agents: M/s Venture Capital and Corporate Investments Pvt. Ltd. 12-10-167, Bharatnagar, Hyderabad - 500 018, Telephone: +91 - 40 - 23818475 / 76, Fax: +91 - 40 - 23868024, Email: info@vccipl.com.

Company: The Company Secretary, Steel Exchange India Limited, 303, My Home Laxmi Nivas, Greenlands, Ameerpet, Hyderabad - 500 016, Telephone: +91 - 40 - 23403725 or 040-40033501 Email: cs@seil.co.in, or csravindra.seil@gmail.com or seilsecretarial@gmail.com.

BOARD'S REPORT

To the Members,

Your directors have pleasure in presenting the 22nd Annual Report on the business & operations of the Company together with the Audited Financial Statement for the year ended 31st March 2021.

1. FINANCIAL RESULTS:

The performance of the Company for the Financial Year ended March 31, 2021 is as under:

PARTICULARS	31-Mar-21	31-Mar-20
Total Revenue	92204.77	79142.14
Profit/ (Loss) before finance cost, depreciation and tax expense	16995.54	6987.69
Finance cost	262.42	347.06
Profit / (Loss) before depreciation and tax expense	16733.12	6640.63
Depreciation	2469.85	2723.65
Profit/(Loss) before tax expense	14263.27	3916.98
Tax expense		
i. Tax expense of prior years	(0.76)	---
ii. Deferred Tax	(265.30)	(2512.51)
Profit/(Loss) for the year	13997.20	6429.49
Add: Other Comprehensive Income	12.44	(13.05)
Total Comprehensive Income/ (Loss) for the year	14009.64	6416.44

2. REVIEW OF OPERATIONS:

During the year under review, the total revenue of the company was Rs.922.04 crores as against the 791.42 Crores. Net Profit recorded at 139.97 Crores as against Net Profit of 64.29 crores in the Previous Year.

The Manufacturing Sales including power sales were Rs.737.88 Crores in the current year compared to Rs. 693.22 Crores in the previous year. The trading sales during the year amounted to Rs.162.13 Crores compared to Rs. 87.20 Crores in the previous year.

3. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

SEIL submitted its proposal for settlement of dues of banks under Consortium Banking Arrangements led by State Bank of India under One Time Settlement Scheme initially in February, 2019 for a total consideration of Rs.423 crores for entire Consortium which was subsequently improved to Rs.440 crores and accepted by the Lenders.

Further, the company agreed to pay an additional amount of Rs.70.17 crores to the lenders against exclusive collateral securities, in addition to amount payable to Consortium of Rs.440 Crores.

The Lenders of the Company sanctioned OTS during the year and the compromised amount was to be paid within 14 months from the date of implementation of the Scheme and 31.07.2020 has been taken as cutoff date for the same. The last instalments are due in August 2021 as per sanctioned OTS Terms.

But the company has successfully paid Rs.510.17 Crores and settled the dues of all the Lenders on 29.01.2021 that was almost 7 Months before the due date 31.08.2021 of OTS (One Time Settlement) by raising listed NCDs under private placement amounting to Rs.382.80 crores which was subscribed to by group of Investors led by M/s Edelweiss and the remaining Rs.17.20 Crores by way of equity share subscription for 44,04,059 equity shares on 01.02.2021 at a price of Rs.39 per share which includes share premium of Rs.29 per share by group of Investors led by M/s Edelweiss.

The Company's financial performance has been affected mainly due to adverse steel markets, weak demand and prices, and non-availability of working capital which have been compounded by the Covid-19 pandemic and other factors beyond the



control of the Company. Your Company successfully completed OTS (One Time Settlement) during the financial year and keeping in view the expected gradual improvement in demand for steel in the nearby future, the Company expects considerable improvement in its financial performance after the debt resolution. The impact of these developments is expected to be favorable on the Company's operations and financials and the company has therefore prepared these financial statements on the basis of going concern concept.

4. DIVIDEND

The Board of Directors of the Company has not recommended Dividend for the financial year ended March 31, 2021.

5. SHARE CAPITAL AND LISTING OF SHARES

During the period under review, there was no change in the Authorized Share Capital of the Company.

The Authorized Share Capital of the Company is Rs.332,00,00,000/- (Rupees Three Hundred and Thirty-Two Crores only) divided into 25,80,00,000 (Twenty-Five Crores Eighty Lakhs only) equity shares of Rs.10/- (Ten only) each, and 7,40,00,000 (Seven Crore Forty Lakhs only) preference shares of Rs.10/- (Ten only) each.

There was change in Paid up Share Capital of the Company during the year under review:

During the year, the Company has allotted 44,04,059 equity shares of the face value of Rs.10/- each at an issue price of Rs.39/- per share (including share premium of Rs.29/- per share) on preferential basis.

The Company has not issued any shares with differential rights and hence no information as per the provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished and the Company has not issued any stock options to its employees. The Company has not issued any warrants or other convertible securities.

The Equity Shares of your Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. It may be noted that there are no payments outstanding to the Stock Exchanges by way of Listing Fees. The company has paid the listing fee for the financial year 2020-21.

6. NON-CONVERTIBLE DEBENTURES

The Company issued and allotted 3,828 secured, rated, listed, redeemable, non-convertible debentures bearing a face value of INR 10,00,000 (Rupees Ten Lakh only) each, aggregating up to an amount of INR 382,80,00,000/- (Rupees Three Hundred and Eighty-Two Crores Eighty Lakhs only) ("Debentures") in dematerialized form on a private placement basis to Group of Investors led by Edelweiss as a part fundraising for one time settlement of all dues of the company with existing lenders. The said NCDs are listed on BSE.

7. NAME OF THE DEBENTURE TRUSTEE(S) WITH FULL CONTACT DETAILS:

VISTRA ITCL (INDIA) LIMITED
 The IL&FS Financial Centre
 Plot No. C-22, G Block, 7th Floor
 Bandra Kurla Complex, Bandra (East)
 Mumbai 400051, India
 Tel: +91 99104 96860, Tel: +91 22 2659 3535
 Cell: +91 98206 61411, Email: mumbai@vistra.com

8. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ISSUE:

During the financial year 2020-21, the Company has raised Rs.17,17,58,301/- against the allotment of 44,04,059 equity shares of Rs.10/- each at a price of Rs.39/- per Share; and the Company has raised Rs. 382,80,00,000 /- against the allotment of 3,828 Non-convertible Debentures Rs.10,00,000/- each at par.

The details of the utilization of the funds are as follows:

Particulars of utilization	Amount
Total Funds was utilized for OTS (One Time Settlement) payment to all existing consortium lenders of the company against full and final settlement of total dues of the company as on 29.01.2021	Rs.399,97,58,301

9. DEVIATIONS IN THE USE OF PROCEEDS FROM THE OBJECTS STATED IN THE OFFER DOCUMENT:

During the year under review, there were no deviations in the use of proceeds from the objects stated in the offer document.

10. CREDIT RATING

Instrument Type	Tenor	Amount (Rs. Cr)	Rating
Listed, Secured NCDs	Long Term	400.00	BWR D Assigned
Total		400.00	(INR Four Hundred Crores Only)

11. ANNUAL RETURN

As required by Section 92(3) of the Act read with Section 134(3)(a) of the Act the Annual Return in Form MGT-7 is placed at the company website http://www.seil.co.in/annual_reports.html

12. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the financial year ended March 31, 2021, five Board Meetings were held.

The dates on which the Board Meetings were held are July 29, 2020, September 02, 2020, November 11, 2020, December 18, 2020 and February 10, 2021.

Details of number of Meetings attended by each Director have been given in the Corporate Governance Report, which forms part of the Annual Report.

13. DIRECTOR'S RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134 OF THE COMPANIES ACT, 2013

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms for the year ended 31st March, 2021:

- i. that in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- ii. that 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 as at March 31, 2021 and of Profit and Loss Account of the Company for that period;
- iii. that 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;
- iv. that the Directors have prepared the Annual Accounts for the Financial Year ended March 31, 2021 on a going concern basis;
- v. that the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi. That 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.

14. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

All Independent Directors of the Company have given declarations as required under the provisions of Section 149(7) of the Companies Act, 2013 and Regulations 16(1)(b) and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, stating that they meet the eligibility criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

15. SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors held their separate meeting on February 09, 2021 inter alia, to discuss:

- Review the performance of the Non-Independent Directors.
- Review the performance of the committees and Board as a whole.
- Review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

16. AUDITORS

Statutory Auditors:

Pursuant to the provisions of Section 139 of the Act and the rules framed thereafter M/s. Bhavani & Co., Chartered Accountants (FRN 012139S) were appointed as Statutory Auditors of the Company in the Annual General Meeting held on 30th September, 2019, for a term of 5 (five) consecutive years. M/s. Bhavani & Co., Chartered Accountants, have confirmed their eligibility and qualification required under the Act for holding the office, as Statutory Auditors of the Company.

Cost Auditors:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Record and Audit) Amendment Rules 2014 Mr. D Zitendra Rao, Practicing Cost Accountant has been appointed as cost auditors for conducting Cost Audit for the financial year 2020-21 under review.

The Products of the company was classified as "Steel and Electricity" manufactured by the Company are subject to Cost Audit in terms of Section 148 of the Companies Act, 2013 read with the rules issued there under by the Central Government.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, approved the appointment of Mr. D Zitendra Rao, Practicing Cost Accountant as the Cost Auditors of the Company for the financial year ending March 31, 2022.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration of Rs.6.00 lakh plus applicable taxes payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the Members of the Company. Accordingly, a resolution to this effect forms part of the Notice convening the AGM.

Internal Auditors:

M/s. Pavuluri & Co., Chartered Accountants were appointed as Internal Auditors for the Financial Year 2020-21 under review.

Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Directors had appointed M/s. BSS & Associates, Practicing Company Secretaries, Hyderabad to undertake the Secretarial Audit of your Company for the financial year 2020-21.

17. AUDIT REPORTS:

Statutory Audit Report

There are no qualifications, reservations, adverse remarks or disclaimers in the Statutory Auditor's Report on the financial statements of the Company for the Financial Year 2020-21 and hence does not require any explanations or comments by the Board. No frauds have been reported by the Auditor under Section 143(12) of the Companies Act, 2013 during the Financial Year 2020-21.

Internal Audit Reports

Internal Auditors has performed Internal Audit of the operations of the Company for the Financial Year 2020-21 and the Internal Auditors have presented the observations to the Audit Committee at their meetings of the Committee held on 02.09.2020, 11.11.2020, 10.02.2021 and 28.05.2021 respectively for the financial year 2020-21

Secretarial Audit

The Secretarial Audit Report received from the Secretarial Auditor of the Company for the Financial Year 2020-21 is annexed herewith as **Annexure - 1**. There is no qualification, reservation or adverse remark or disclaimer made by the Secretarial Auditor in his secretarial audit report.

18. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Your Company has not given any Loans / Guarantees and not made any Investments during the FY 2020-21, as specified under the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

19. TRANSFER OF AMOUNT TO GENERAL RESERVES

Your Company doesn't propose to transfer any amount to the general reserve for the Financial Year ended 31st March, 2021.

20. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015 during the Financial Year were in the ordinary course of business and on an arms' length pricing basis. There were no materially significant transactions with related parties during the Financial Year, which were in conflict with the interest of the Company. Suitable disclosure as required by the Indian Accounting Standards (Ind AS-24) has been made in the notes to the Financial Statements.

A statement, in summary form, of all the transactions entered into with the related parties in the ordinary course of business, details of individual transactions with related parties are placed before the audit committee for the review from time to time. The particulars of contracts or arrangements with related parties referred to in Sub-section (1) of Section 188 are prepared in Form No. AOC-2 pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 and the same is given in notes to accounts of the company wide note no 3.36.3 and also brief details are annexed to Boards Report as **Annexure-2**.

21. DEPOSITS

The Company has not accepted any deposits from the public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet, in terms of Section 73 of the Companies Act, 2013 during the year ended 31st March, 2021.

22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO PROVISIONS OF SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 (ACT) READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 is prepared and the same is enclosed as **Annexure - 3** to this Report.

23. RISK MANAGEMENT POLICY

The Company has an adequate risk management policy in place. The risk management process is reliable and broadbased, ensuring that the Company is well guarded against foreseeable risks and aptly prepared for future contingencies. Risk management encompasses risk identification, evaluation, reporting and resolution to ensure the smooth functioning of operations and business sustainability. Risk Management has become an integral part of business decision making.

24. CORPORATE SOCIAL RESPONSIBILITY

The Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee to monitor implementation of CSR activities of your Company. The details of the composition of the CSR Committee, CSR policy, CSR initiatives and activities during the year are given in the Annual Report on CSR activities in **Annexure - 4** to this Report.

25. COMMITTEES OF THE BOARD

The Board has Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee. The composition and other details of these committees have been given in the Report on the Corporate Governance forming part of the Annual Report.

26. CORPORATE GOVERNANCE

A separate report on Corporate Governance is annexed as part of the Annual Report along with the Auditor's Certificate on its compliance.

27. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review, as stipulated under Listing Regulations, is annexed herewith which forms part of this report.

28. VIGIL MECHANISM / WHISTLE BLOWER POLICY AND MECHANISM

The Board of Directors has adopted Whistle Blower Policy. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. All perma-

ment employees of the Company are covered under the Whistle Blower Policy.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases.

29. 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 the corporate governance requirements as prescribed by SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The performance of the Board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of the board processes, information and functioning etc. In a separate meeting of independent directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which 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.

30. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

Shri Bavineni Suresh (DIN: 00181832) and Shri Veeramachaneni Venkata Krishna Rao (DIN: 00206884) retired and re-elected at the last Annual General Meeting of the Company held on September, 30, 2020.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Shri Bavineni Suresh (DIN: 00181832) and Shri Veeramachaneni Venkata Krishna Rao (DIN: 00206884) will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Accordingly, the resolutions seeking the approval of the members for the said re-appointments have been incorporated in the Notice of the Annual General Meeting.

On the basis of recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on December 18, 2020, approved the re-appointment of Mr. Bandi Ramesh Kumar (DIN:00206293) as Joint Managing Director for a period of three years with effect from February 09, 2021. The re-appointment is subject to approval of the Shareholders at the ensuing AGM. The resolution seeking the approval of the members for the above said re-appointment have been incorporated in the notice of the Annual General Meeting.

On the basis of recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on May 28, 2021, appointed Mr. E. Sankara Rao (DIN: 05184747) as Additional Director, in Independent category, to hold office up to the date of the Annual General Meeting of the Company, to be held thereafter and subject to the approval of the Members at the said Annual General Meeting, to hold office as an Independent Director for a term of 5 (five) consecutive years commencing from May 28, 2021 to May 27, 2026 (both days inclusive).

During the financial year under review, there is no change in Key Managerial Personnel of the Company.

31. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The company's policy on directors' appointment and remuneration and other matters provided in Section 178 (3) of the Act have been disclosed in the corporate governance report. Under Section 178 (3) of the Companies Act, 2013, the Nomination and Remuneration Committee of the board has adopted a policy for nomination, remuneration and other related matters for directors and senior management personnel. A gist of the policy is available in the Corporate Governance Report.

Company's Policy on Directors Appointment and Remuneration including criteria for determining qualification, positive attributes, independence of directors and other matters provided under section 178(3) of the Companies Act, 2013 is also placed at the website of the Company at http://seil.co.in/Code_and_Policies.html

32. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Financial Control System, commensurate with the size, scale and complexity of its operations. The Board of Directors of the Company is responsible for ensuring that Internal Financial Control has been laid down by the Company and that such controls are adequate and operating effectively. The internal financial control framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from unauthorized use, executing transactions with proper



Authorisation and ensuring compliance with corporate policies.

The scope and authority of the Internal Auditor is well defined in the company. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions suggested are presented to the Audit Committee of the Board.

33. MAINTENANCE OF COST RECORDS

The Company is required to maintain cost records of the Company as specified under Section 148 (1) of the Companies Act, 2013. Accordingly, the Company has properly maintained cost records and accounts during the financial year ended 31.03.2021.

34. PARTICULARS OF EMPLOYEES

The ratio of remuneration of each director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board's report enclosed as Annexure- 5.

During the financial year 2020-2021, there were no employees in the Company whose details are to be given pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

35. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

There were no frauds reported by the Statutory Auditors under Sub-section 12 of Section 143 of the Companies Act, 2013 along with the Rules made there under.

36. SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

37. DELISTING OF EQUITY SHARES FROM CALCUTTA STOCK EXCHANGE LIMITED (CSE)

The Company has made an application for voluntary delisting of equity shares from Calcutta Stock Exchange Limited (CSE) during the year 2017-18 and it's in work in progress and waiting for final order from CSE.

38. UNCLAIMED SUSPENSE ACCOUNT/ESCROW ACCOUNT:

In accordance with the procedure laid down in Schedule VI to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has transferred unclaimed shares of Equity shareholders (previously GSAL Shareholders) into one folio in the name of "Steel Exchange India Limited -Unclaimed Suspense Account" and maintain details of shareholders whose shares are credited to the said Unclaimed Suspense Account.

Company is doing transfer of Equity shares in Dematerialised form to respected shareholders of GSAL (India) Limited upon receipt of communication from time to time.

39. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

Your company incorporated a wholly owned subsidiary company SEIL (Hong Kong) Ltd on 02nd June, 2015 which was in dormant stage due to non-commencement of business operations since its incorporation. During the year, your company has closed SEIL (Hong Kong) Ltd and the same was strike off by respective authority in the origin of the company.

As on 31.03.2021, the Company has no Subsidiary, Joint Venture or Associate Company.

40. INSURANCE

All properties and insurable interests of the Company including building, plant and machinery and stocks have been fully insured.

41. CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the Company.

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

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

43. MATERIAL CHANGES AND COMMITMENTS DURING THE FINANCIAL YEAR 2020-21

During the year under review the company has successfully completed One Time Settlement (OTS) with lenders of the company by raising of funds through Listed NCDs and Equity to Group of Investors led by Edelweiss. Upon successful completion of OTS the Debt of the company was reduced to half of the debt compared with previous years. Except this there are no Material changes and commitments in the business operations of the Company from the financial year ended 31st March, 2021 to the date of signing of the Director's Report.

44. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

The Valuations Were Done by Banks and Financial Institutions at the time of one-time settlement and while taking loan from the Banks or Financial Institutions, hence the exact information is not available with the company as on date.

45. DETAILS OF APPLICATIONS MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE 2016:

There are no applications made during the financial year 2020-21 by or against the company and there are no proceedings pending under the Insolvency and Bankruptcy Code, 2016.

46. BOARD POLICIES:

The details of the policies approved and adopted by the Board as required under the Companies Act, 2013 and SEBI Regulations are provided in **Annexure - 6**.

47. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The company has complied with provisions relating to the constitution of Internal Complaints Committee to redress complaints received regarding sexual harassment. During the financial year 31st March, 2021, the company has not received any complaints pertaining to sexual harassment.

48. INDUSTRIAL RELATIONS AND HUMAN RESOURCES

Your company believes that its employees are one of the most valuable assets of the Company and the Board appreciates the employees across the cadres for their dedicated service to the company and expects their continuous support and higher level of productivity for achieving the targets set for the company. During the year under review, the company organized various training programmes at all levels to enhance skills of employees. The total employee strength is 816 and strength of trainees is 112 on 31st March, 2021.

49. ACKNOWLEDGEMENT

The Directors take this opportunity to place on record their sincere thanks to the Banks and Financial Institutions, Insurance Companies, Central and State Government Departments and the shareholders for their support and co-operation extended to the Company from time to time. Directors are pleased to record their appreciation of the dedicated services of the employees and workmen at all levels.

On behalf of the Board of Directors
For **Steel Exchange India Limited**

Place: Visakhapatnam

Date: 09.08.2021

B. Satish Kumar
Chairman and Managing Director
(DIN:00163676)

REPORT ON CORPORATE GOVERNANCE

In terms of Compliance to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) on Corporate Governance, your Company is complying with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The report for the year ended on 31st March, 2021 is as follows:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company prides itself on being a responsible corporate citizen, which is committed to running its business in the best possible manner while being completely transparent, complying with all relevant rules & regulations and contributing to society at large. The Company believes that maintenance of Code of Corporate Governance is essential for economic growth of the Company and protecting the interest of all the Stakeholders. Therefore, the Company is trying its best to follow the Code of Corporate Governance. The Companies Corporate Governance philosophy encompasses not only regulatory and legal requirements, such as the terms of listing regulations with stock exchanges, but also several voluntary practices aimed at a high level of business ethics, effective supervision and enhancement of value for all stakeholders. The Corporate Governance is based on the principal of truth, transparency, accountability, equity and responsibility in all our dealings with our employees, shareholders, customers, suppliers, government, lenders and community at large.

2. BOARD OF DIRECTORS :

(a) Composition and category of directors (e.g., promoter, executive, non-executive, non-executive and independent, nominee director - institution represented and whether as lender or as equity investor):

The Board of Directors has a combination of Executive and Non-Executive Directors. The Board comprises of Three Executive Directors, which includes One Managing Director and Seven Non-Executive Directors including Five Independent Directors with one of whom is a Woman Director. The Chairman of the Board is an Executive Director and 50 percent of Directors are Independent Directors including a Woman Director. Except the Independent Directors and Executive Directors all other Directors are liable to retire by rotation as per the provisions of the Companies Act, 2013. Accordingly, the composition of the Board is in conformity with SEBI (LODR) Regulations, 2015 and the provisions of the Companies Act, 2013.

The names and categories of the Directors on the Board, attendance at the Board Meetings and Annual General Meeting of the Company and also the number of Directorships and Committee Memberships and Chairmanship held by them during 2020-21 in other Companies are as under:

S. No.	Name of the Director	Category	No. of Board Meetings attended out of 5 meetings held 2020-21	Whether attended last AGM	No. of Other Directorships and Committee Membership/Chairmanship as on 31.03.2021		
					Directorships	Committee Memberships	Committee Chairmanships
1	Bandi Satish Kumar	Executive Director (Promoter)	5	YES	1	1	Nil
2	Bandi Suresh Kumar	Executive Director (Promoter)	4	YES	1	Nil	Nil
3	Bandi Ramesh Kumar	Executive Director (Promoter)	5	YES	1	Nil	Nil
4	Veeramachaneni Venkata Krishna Rao	Non-Executive Director (Promoter)	5	YES	0	Nil	Nil
5	Bavineni Suresh	Non-Executive Director (Promoter)	5	YES	0	Nil	Nil
6	Ramineni Ramachandra Rao	Independent Director	5	YES	0	4	1
7	Kodali Krishna Rao	Independent Director	5	YES	0	3	Nil
8	Siva Prasad Chivukula	Independent Director	5	NO	1	4	3
9	Venkata Narayana Reddy Godi*	Independent Director	5	YES	0	Nil	Nil
10	Sujata Chattopadhyay**	Independent Director	5	YES	5	2	1

Mr. G Venkata Narayana Reddy was ceased as director of the company with effect from 6th May, 2021 on account of death.

** Ms. Sujata Chattopadhyay is Director in other 4 listed Companies, list of those Companies and category of Directorship are as follows:

Sl. No.	Name of the listed Company	Category of Directorship
1	IITL Projects Limited	Independent Director
2	Industrial Investment Trust Limited	Independent Director
3	Vakrangee Limited	Independent Director

- This excludes Directorships held in Private & Foreign Companies and Companies incorporated under section-8 of the Companies Act, 2013.
- In accordance with Reg.26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Memberships/ Chairmanships of Committees include Audit Committee and Stakeholders' Relationship Committee of Public Company have been considered.
- None of the Directors is a director in more than 20 Companies and more than 10 public limited companies in terms of Sec-165 of the Companies Act, 2013.
- None of the Directors is a director in more than seven listed entities in terms of Regulation 17A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- None of the Directors is a member of neither more than Ten Committees, nor acts as Chairman of more than Five Committees across all companies in which they are Directors, as required Regulation 26 of the Listing Regulations.
- The Independent Directors fulfill the requirements stipulated in Regulation 25 (1) of the Listing Regulations.

b) Changes in the Composition of Directors during the Year:

During the period under review, the consent of the shareholders has been accorded at their Annual General Meeting held on 30.09.2020 for reappointment of Ms. Sujata Chattopadhyay, as Independent Director of the company for a further period of 5 years with effect from 27th March, 2020. Other than this there has been no change in composition of the Directors of the Company.

c) Number of Board Meetings held during the Financial Year 2020-21 and dates on which held:

In compliance with the provisions of Regulation 17 of SEBI (LODR) Regulations, 2015, the intervening period between two Board meetings was within the maximum gap of one hundred and twenty days.

During the year ended March 31, 2021, Five Board Meetings were held as against the minimum requirement of Four meetings.

The dates on which Meetings of the Board of Directors were held and the number of directors present in each meeting are given below:

S No	Date of Meeting	Board Strength	No. of Directors Present
1	29.07.2020	10	10
2	02.09.2020	10	10
3	11.11.2020	10	09
4	18.12.2020	10	10
5	10.02.2021	10	10



c) Relationship between Directors inter-se:

Mr. B. Satish Kumar, Mr. B. Suresh Kumar and Mr. B. Ramesh Kumar are related as Brothers. No other Director is related to any other Director on the Board.

d) Number of Shares and Convertible Instruments held by the Non-Executive Directors:

There are no outstanding Convertible Instruments of the Company.

The total number of Equity Shares held by the Non-Executive Directors of the Company as on 31st March, 2021 as follows:

S No	Name of the Director	No of Equity Shares Held	% On Paid Up Capital
1	Veeramachaneni Venkata Krishna Rao	643736	0.80
2	Bavineni Suresh	1138350	1.41
3	Ramineni Ramachandra Rao	Nil	0.00
4	Kodali Krishna Rao	Nil	0.00
5	Siva Prasad Chivukula	Nil	0.00
6	Venkata Narayana Reddy Godi*	Nil	0.00
7	Sujata Chattopadhyay**	Nil	0.00

e) Familiarization program imparted to Independent Directors:

The Independent Directors, who are from diverse fields of expertise and have long standing experience and expert knowledge in their respective fields are very relevant as well as of considerable value for the Company's business.

As part of familiarization program as required under Listing Regulation, the Directors have been appraised during the Board Meetings about the amendments to the various enactments viz., Companies Act, 2013 ('the Act'), Listing Regulations, Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of unpublished Price Sensitive Information etc.

During the year, a separate meeting of the Independent Directors was held on February 09, 2021 without the present of Non-Executive Directors /Managing Director and Joint Managing Directors to discuss the matter as required/agreed among them.

Further familiarization programs and the terms & conditions of appointment of the Independent Directors as required under the Companies Act, 2013 & Listing Regulations are updated on the Company's website at www.seil.co.in

f) Formal annual evaluation:

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

g) Function and Procedure of Board:

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

h) Directors' skills/expertise/competencies

Board Skill Matrix:

In terms of the requirement of the Listing Regulation, the Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company, which are currently available with the Board along with the names of the Directors, who have such skill/expertise/competence, are given below: -

Business & Industry	Domain Knowledge in Business and understanding of business environment, Optimizing the development in the industry for improving Company's business
Financial Expertise	Financial and risk management, Internal control, Experience of complex financial reporting processes, capital allocation, resource utilization, Understanding of financial policies and accounting statements and assessing economic conditions
Governance & Compliance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values

S.No	Name of the Director	skill/expertise/competence
1	Bandi Satish Kumar	Business & Industry, Financial Expertise, Governance & Compliance
2	Bandi Suresh Kumar	Business & Industry, Financial Expertise, Governance & Compliance
3	Bandi Ramesh Kumar	Business & Industry
4	Veeramachaneni Venkata Krishna Rao	Business & Industry
5	Bavineni Suresh	Financial Expertise, Governance & Compliance
6	Ramineni Ramachandra Rao	Business & Industry, Financial Expertise, Governance & Compliance
7	Kodali Krishna Rao	Business & Industry, Financial Expertise, Governance & Compliance
8	Siva Prasad Chivukula	Financial Expertise, Governance & Compliance
9	Venkata Narayana Reddy Godi*	Financial Expertise, Governance & Compliance
10	Sujata Chattopadhyay**	Financial Expertise, Governance & Compliance

h) Confirmation of Independence of the Independent Director:

The Board of Directors hereby confirm that in the opinion of the Board, all Independent Directors are independent of the management of the Company and have given declarations as required under the provisions of Section 149 (7) of the Companies Act, 2013 stating that they meet the eligibility criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015.

i) Reason for resignation of Independent Directors:

During the period, none of Independent Directors of the Company have resigned, before the expiry of their term of appointment

j) Particulars of Directors seeking re-appointment:

Details of the Director seeking appointment / re-appointment in the ensuing AGM in pursuance to SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings are given in the annexure of the notice of AGM, which forms an integral part of this Annual Report

3. Audit Committee:

The Audit committee of the Board of directors was constituted in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015.

(a) Brief description of terms of reference: The role of the Audit Committee is as prescribed under the Act and SEBI (LODR) Regulations, 2015 and includes the following:

- i. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- ii. Recommendation of appointment etc., of the statutory auditors and their fee for audit and other services;
- iii. Examination and review of Annual financial statements/audit report with particular reference to directors' responsibility statement, changes in accounting policies, major accounting entries involving estimates, disclosure of related party transactions, qualifications in the draft audit report, etc.;
- iv. Discussions with internal auditors on significant findings and with Statutory Auditors on the nature and scope of audit and on areas of concern;
- v. Review of quarterly financial statements, uses and application of funds raised, performance of statutory and internal auditors, adequacy of internal control system and internal audit function;
- vi. Review of management discussion and analysis report on financial condition and results of operations, significant related party transactions, internal control weaknesses reported by the statutory auditors and internal auditors and the appointment and remuneration of internal auditors;
- vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Evaluation of internal financial controls and risk management systems; and
- xi. Review of the functioning of the Whistle Blower mechanism.

Composition and attendance details of the Committee meetings are as follows:

The Audit Committee consists of Three Independent Directors. The Audit Committee has met Fivetimes during the financial year 2020-21 on 29.07.2020, 02.09.2020, 11.11.2020, 18.12.2020 and 10.02.2021.

The constitution of the Audit Committee and attendance details during the financial year ended 31st March, 2021 are given below:

Name of the Director	Designation	Number of Meetings	
		Held	Attended
Mr. Siva Prasad Chivukula	Chairman, Independent Director	5	5
Mr. Kodali Krishna Rao	Member, Independent Director	5	5
Mr. Ramineni Ramachandra Rao	Member, Independent Director	5	5

The representatives of Statutory Auditors are permanent invitees to the Audit Committee meetings. The representatives of Statutory Auditors, Executives from Accounts, Finance and Secretarial department(s) attends the Audit Committee meetings. The Internal Auditors attend the Audit Committee meeting where internal audit report is discussed. The Internal Auditor reports directly to the Audit Committee.

The Chairman of the Audit Committee was not attended for the last Annual General Meeting held on 30th September, 2020.

4. Nomination and Remuneration Committee

Brief description of terms of reference

The terms of reference of the Committee are in line with the requirements of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations. The Committee has been constituted to recommend / review the remuneration package of the Managing /Joint Managing Directors, nomination of Directors / Key Managerial Personnel and one level below the Board along with the heads of department apart from deciding other matters such as framing and implementation of stock option plans to employees, etc. The remuneration policy is directed towards rewarding performance based on review of achievements which are being reviewed periodically which is in consonance with the existing industry practices.

Composition, name of members and Chairperson

The Nomination and Remuneration Committee has met One time during the financial year 2020-21 i.e., on 18th December, 2020. The constitution of the Committee and attendance details during the financial year ended 31st March, 2021, are given below:

Name of the Director	Designation	No. of Meeting Held	No. of Meeting attended
Siva Prasad Chivukula	Chairman, Independent Director	1	1
Kodali Krishna Rao	Member, Independent Director	1	1
Ramineni Ramachandra Rao	Member, Independent Director	1	1

5. Meeting of Independent Directors

A Separate meeting of the Independent Directors was held on 09.02.2021, inter-alia, to discuss evaluation of the performance of Non-Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties. The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole and Chairman of the Company. Inputs and suggestions received from the Directors were considered at the Board meeting.

6. Remuneration of Directors

The Remuneration paid to the Managing and Joint Managing Directors during the year and the details of sitting fees paid to the Directors for attending Board and Committee Meetings for the year ended March 31, 2021 and number of shares held by all the Directors are as follows:

Name of the Director and Designation	Salary	Benefits/ allowance/ perquisites	Bonus/ Commission	Pension	Stock Option**	Sitting Fees	No. of Shares held
Mr. Bandi Satish Kumar, Managing Director	66,00,000	1,38,988	-	-	-	-	6,45,944
Mr. Bandi Suresh Kumar, Joint Managing Director	60,00,000	1,29,114	-	-	-	-	15,49,950
Mr. Bandi Ramesh Kumar, Joint Managing Director cum CFO	60,00,000	-	-	-	-	-	3,19,418
Mr. Veeramachaneni Venkata Krishna Rao, Non-Executive Director	-	-	-	-	-	-	6,43,736
Mr. Bavineni Suresh, Non-Executive Director	-	-	-	-	-	-	11,38,350
Mr. Ramineni Ramachandra Rao, Independent Director	-	-	-	-	-	1,50,000	-
Mr. Kodali Krishna Rao, Independent Director	-	-	-	-	-	1,50,000	-
Mr. Siva Prasad Chivukula, Independent Director	-	-	-	-	-	1,50,000	-
Mr. Venkatanarayana Reddy Godi, * Independent Director	-	-	-	-	-	1,50,000	-
Ms. Sujata Chattopadhyay, Independent Director	-	-	-	-	-	1,50,000	-

company with effect from 6th May, 2021 on account of death.

There were no severance fees, stock option plan or no performance linked incentives for the Executive/Non-Executive Directors. The appointment of Managing Director and Joint Managing Directors were made for a period of 3 years on the terms and conditions contained in the respective resolutions passed by the Members of the company in the General Meetings.

No Director is related to any other Director on the Board, except Mr. B. Satish Kumar and Mr. B. Suresh Kumar and Mr. B. Ramesh Kumar are related as Brothers.

- Sitting Fees include payment for Board Level Committee Meetings
- Service Contracts/Notice period /Severance Fees are as per the Agreement entered with Managing Director and Whole-time Directors.
- The Company is not having stock option scheme therefore the same is not applicable

None of the Non-executive directors has any pecuniary relationship or transactions with the company except as per requirements of Ind AS 24 are disclosed in the notes to accounts annexed to the financial statements.

7. Stakeholders' Relationship Committee

The Committee comprises of three Members Mr. Ramineni Ramachandra Rao, Chairman, Mr. Bandi Satish Kumar, Member and Mr. Siva Prasad Chivukula, Member. The responsibilities of the Committee include Redressal of all shareholders complaints and grievances.

During the year ended 31.03.2021, One Stakeholders Relationship Committee Meeting was held on 09th February, 2021.

The constitution of the Stakeholders Relationship Committee and attendance details during the financial year ended 31st March, 2021 are given below:

Sl. No	Name of the member	Designation	Meetings Held	Meetings Attended
1	Ramineni Ramachandra Rao	Chairman, Independent Director	1	1
2	Siva Prasad Chivukula	Member, Independent Director	1	1
3	Mr. Bandi Satish Kumar	Member, Managing Director	1	1

• Terms of Reference

- Stake Holders Relationship, Grievance and Share Transfer Committee oversees and reviews all matters connected with the securities transfers and also look into redressing of shareholders complaints like transfer of shares, non-receipt of annual reports/dividends etc.
- The Committee oversees the performance of the Registrar and Transfer agents and recommends measures for overall improvement in the quality of investor services.

• Name and designation of Compliance Officer:

Mr. Raveendra Babu Mannem was appointed as Company Secretary and Compliance officer Email-id for Investor Grievances: cs@seil.co.in

- Number of Shareholders complaints received so far:
- During the year ended March 31, 2021, the Company has received 9 complaints and resolved all 9 complaints and there were no pending complaints as at the year end.
- Number of complaints not resolved to the satisfaction of shareholders is Nil.

8. Corporate Social Responsibility (" CSR") Committee:

The CSR Committee provides guidance on CSR activities to be undertaken by the Company. The terms of reference for the CSR Committee include:

1. Formulate a CSR policy which shall indicate activities to be undertaken by the Company
2. Recommend the CSR policy to the Board
3. Recommend the amount of expenditure to be incurred on the activities
4. Monitor the policy from time to time as per the CSR policy.

During the year ended 31.03.2021, one CSR Committee Meeting was held on 09.02.2021.

The constitution of the CSR Committee and attendance details during the financial year ended 31st March, 2021 are given below:

Sl. No	Name of the member	Designation	Meetings Held	Meetings Attended
1	Chivukula Siva Prasad	Chairman, Independent Director	1	1
2	Ramineni Ramachandra Rao	Member, Independent Director	1	1
3	Kodali Krishna Rao	Member, Independent Director	1	1

9. Compliance Officer

Mr. Raveendra Babu Mannem, Company Secretary is Compliance Officer of the Company for complying with requirements of Securities Laws.

10. Prevention of Insider Trading

As per the provisions of SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The Company has appointed Mr. Raveendra Babu M, Company Secretary as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities. The Code of Conduct is applicable to all Directors and such identified employees of the Company who are expected to have access to unpublished price sensitive information relating to the Company. During the year under review there has been due compliance with the said code.

11. Compliance

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued thereunder, as applicable and Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

12. Recording Minutes of Proceedings at Board and Committee Meetings

The Company Secretary records minutes of proceedings of each Board, Committee and General Meeting. Draft minutes are circulated to Board / Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.



13. Compliance of Corporate Governance Requirements Specified in Regulation 17 To 27 And Regulation 46(2)(B) To (I) Of Listing Regulations

S No	Particulars	Regulation	Compliance Status (Yes/No/NA)
1	Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	YES
2	Board composition	17(1), 17(1A) & 17(1B)	YES
3	Meeting of Board of directors	17(2)	YES
4	Review of Compliance Reports	17(3)	YES
5	Plans for orderly succession for appointments	17(4)	NA
6	Code of Conduct	17(5)	YES
7	Fees/compensation	17(6)	YES
8	Minimum Information	17(7)	YES
9	Compliance Certificate	17(8)	YES
10	Risk assessment and management	17(9)	NA
11	Performance evaluation of independent directors	17(10)	YES
12	Composition of audit committee	18(1)	YES
13	Meeting of audit committee	18(2)	YES
14	Composition of nomination and remuneration committee	19(1) & (2)	YES
15	Composition of stakeholder relationship committee	20(1) & (2)	YES
16	Composition and role of risk management committee	21(1),(2),(3),(4)	NA
17	Vigil mechanism	22	YES
18	Disclosure of shareholding by non-executive directors	-	YES
19	Policy for related party transaction	23(1), (5),(6),(7) & (8)	YES
20	Prior or omnibus approval of audit committee for all related party transactions	23(2), (3)	YES
21	Approval for material related party transactions	23(4)	YES
22	Composition of board of directors of unlisted material subsidiary	24(1)	NA
23	Other corporate governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	NA
24	Maximum directorship and tenure	25(1) & (2)	YES
25	Meeting of independent directors	25(3) & (4)	YES
26	Familiarization of independent directors	25(7)	YES
27	Memberships in committees	26(1)	YES
28	Affirmation with compliance to code of conduct from members of board of directors and senior management personnel	26(3)	YES
29	Disclosure of shareholding by non-executive directors	26(4)	YES
30	Policy with respect to obligations of directors and senior management	26(2) & 26(5)	YES

S No	Particulars of regulations	Compliance status (Yes/No)
1	Board of directors	Yes
2	Audit committee	Yes
3	Nomination and Remuneration committee	Yes
4	Stakeholders Relationship committee	Yes
5	Risk Management committee	NA
6	Vigil mechanism	Yes
7	Related party transactions	Yes
8	Corporate Governance requirements with respect to Subsidiaries	NA
9	Obligations with respect to independent directors	Yes
10	Obligation with respect to Directors and Senior Management	Yes
11	Other Corporate Governance requirements	Yes
12	Disclosure on website in terms of SEBI (LODR) Regulations (Regulation 46 (2))	Yes

14. General Body Meetings:

(i) The details of date, location and time of the last three Annual General Meetings held areas under:

Annual General Meeting	Date	Time	Venue
2020	30.09.2020	11.00A.M	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)
2019	30.09.2019	11.30A.M	The Plaza, # 6-3-870, Tourism Plaza, Greenlands, Begumpet, Hyderabad - 500 016
2018	28.09.2018	11.30A.M	The Plaza, # 6-3-870, Tourism Plaza, Greenlands, Begumpet, Hyderabad - 500 016

Special Resolutions passed during the previous three Annual General Meetings:

- a) 21st Annual General Meeting - September 30, 2020 - The following Special Businesses were transacted by passing Special Resolution:
- Reappointment of Ms. Sujata Chattopadhyay (DIN: 02336683) as Independent Director of the company for a further period of 5 years with effect from 27th March, 2020
 - Approve Monetization of one or more Assets of the company under proposed debt Restructuring Scheme / One Time Settlement Scheme with Lenders of the Company.
- b) 20th Annual General Meeting - September 30, 2019 - The following Special Businesses were transacted by passing Special Resolution:
- Reappointment of Shri B Satish Kumar (DIN: 00163676) as chairman and Managing Director of the company, for a further period of 3(Three) Years with effect from March 01, 2019.
 - Reappointment of Shri B Suresh Kumar (DIN: 00206473) AS Joint Managing Director of the company, for a further period of 3(Three) Years with effect from October 27, 2019.
 - Revision in remuneration of Shri B Ramesh Kumar (DIN: 00206293), Joint Managing Director of the company with effect from 1st April, 2018 till his remaining tenure ending on 8th February, 2021
 - Reappointment of Shri C Siva Prasad (DIN: 01904785) as an Independent Director of the company for a period of five years effective from 31st December, 2019 till 30th December, 2024.
 - Reappointment of Shri R Ramachandra Rao (DIN: 00226945) as an Independent Director of the company for a period of five years effective from 31st December, 2019 till 30th December, 2024.
 - Reappointment of Shri K Krishna Rao (DIN: 00382726) as an Independent Director of the company for a period of five years effective from 31st December, 2019 till 30th December, 2024.

- vii) Reappointment of Shri G Venkata Narayana Reddy (DIN: 05358117) as an Independent Director of the company for a period of five years effective from 31st December, 2019 till 30th December, 2024.
- c) 19th Annual General Meeting - September 28, 2018 - The following Special Resolution was passed:
 - i) Continuation of Mr. Shiva Prasad Chivukula, Independent Director who has already attained the age of 75years as Independent Director from April 01, 2019 until the expiry of his existing term.
- d) Postal Ballot: Nil during the year.
- e) EGM:

Year	Date	Time	Venue
2021	18.01.2021	11.30A.M	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)

15. Disclosures:

- a) Related Party Transactions: - All transactions entered into with related parties during the financial year were on arm's length basis and in the ordinary course of business. The transactions with related parties are in compliance with sec 188 of the companies' act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

There were no materially significant transactions entered into by the Company with the related parties which might be deemed to have had a potential material conflict with the interests of the Company at large. The details of the related Party transactions entered during the year and disclosures as required by the Indian Accounting Standards (IND AS 24) are disclosed in the Notes to Accounts - **Note No.3.35.3 annexed to the financial statements.**

In terms of SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has adopted a policy to determine Related Party Transactions. The policy is placed on the website of the company www.seil.co.in.

Related party transactions have been disclosed in Notes to Accounts - Note No.3.35.3 annexed to the financial statements.

- (b) Details of non-compliance by the Company, Penalties imposed by Stock Exchanges/ SEBI: There is a noncompliance under regulation 29 of SEBI LODR, i.e., non submission of advance notice of board meeting of the company held on 10.02.2021 to the National Stock exchange (NSE), and the NSE has levied a fine of INR 11,800, the same has been paid by the company.
- (c) The information on Directors seeking re-appointment/appointment is provided in the notes to the notice of the Annual General Meeting under the heading "Additional information on Directors seeking Re-appointment/appointment at the ensuing Annual General Meeting".
- (d) The Board has also constituted a committee named as "Management Committee" for strategic management of the Company's business within the Board approved direction/framework. The following are the members of the Committee:

1. Mr. B. Suresh Kumar	Chairman
2. Mr. B. Satish Kumar	Member
3. Mr. B. Suresh	Member
4. Mr. V. V. Krishna Rao	Member

The minutes of the Committee meetings are placed before the Board for its approval/ confirmation.

- (e) The Company has complied with all the mandatory requirements of Listing Regulations: During the year, the Company has fully complied with the mandatory requirements as stipulated Listing Regulations. Further, Company has disseminated report on compliance with corporate governance requirements as specified in regulation 17 o 27 and 46(2) on its website www.seil.co.in and also submitted with BSE. Non-Mandatory requirements of C & E as provided in Part E of

Schedule II of the Listing Regulations. Separate persons to the post of Chairman and Managing Director and Reporting of Internal Auditors to the Audit Committee have been adopted from non-mandatory requirements.

- (f) The Board of Directors of the Company had adopted the Whistle Blower Policy. Employees can report to the Management concerned unethical behavior, act or suspected fraud or violation of the Company's Code of Conduct policy.

No employee has been denied access to the Audit Committee. A copy of the Whistle Blower Policy is also hosted on the website of the Company: www.seil.co.in

The Chairman of the Audit Committee had not received any complaint during the Financial Year ended 31st March, 2021.

- (g) Certificate by Practicing Company Secretary: The Company has received a certificate from Mr. Srikanth, Partner, B S S & Associates, Practicing Company Secretaries, confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate of Affairs or any such authority.

- (h) Information on complaints in relation to Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013:

a. number of complaints filed during the financial year: Nil

b. number of complaints disposed of during the financial year: Nil

c. number of complaints pending as on end of the financial year: Nil

- (i) M/s. Bhavani & Co., Chartered Accountants (FRN 012139S) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees during the financial year ended 31.03.2021, on consolidated basis is given below:

Particulars	Amount in Rs.
For Statutory Auditors	45,00,000
For Tax Audit	5,00,000
For Tax Representations	4,50,000
For Certification & Others	4,50,000
Total	59,00,000

- (i) Web link for determining material Subsidiaries is disclosed: NIL

- (j) Web link policy on dealing with related party transactions : www.seil.co.in

- (k) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) : During the financial year 2020-21, the Company has raised Rs. 17,17,58,301/- against the allotment of 44,04,059 equity shares of Rs. 10/- each at a price of Rs. 39/- per Share;

Total Funds of Rs. 17,17,58,301/- was utilized for OTS (One Time Settlement) payment to all existing consortium lenders of the company against full and final settlement of total dues of the company as on 29.01.2021

- (l) Details of recommendation of Committees of the Board which were not accepted by the Board:

Nil as . All recommendations of the Committees of the Board were duly accepted by the Board.

- m) The company has duly complied with the requirements of the Corporate Governance Report of Sub-paras 2 to 10 of Part (C) of Schedule V of the SEBI Listing Regulation.

16. Risk Management

During the year, the risk assessment parameters were reviewed and modified, wherever needed. The audit committee/ Board reviewed the element of risks and the steps taken to mitigate the risks. In the opinion of the Board, there are no major elements of risk which has the potential of threatening the existence of the Company.



17. General Code of Conduct

The Company has formulated and implemented a General Code of Conduct, which is available on company's website, for all its Directors and Senior Management of the Company in compliance with Listing Regulations. All the Board Members and Senior Management of the Company have affirmed compliance with the said Code of Conduct for the financial year ended March 31, 2021. A declaration by the Chairman & Managing Director affirming compliance with the said Code of Conduct is annexed at the end of the Report and forms part of this Report.

18. Means of Communication

- (i) As part of compliance with Regulation 10, 33 and 47 of the Listing Regulations, the Company furnishes its quarterly financial results to the Stock Exchanges where its shares have been listed.
- (ii) The Company's quarterly, half yearly and annual results are published in prominent daily newspapers such as 'Business Standards' (English) and 'Eenadu' (Telugu).
- (iii) The Company posts all the vital information relating to the Company and its performance on the web site www.seil.co.in for the benefit of the shareholders and public at large.
- (iv) During the period under review, no presentations were made to any institutional investors or to the analysts.
- (v) The Management Discussion and Analysis Report is attached and forms part of the Annual Report.
- (vi) Further a direct communication is also made to the shareholders by the Managing Director/Authorised person from Secretarial Department of the company as and when required.

19. MD/ CEO & CFO Certification

In accordance with the requirements of Regulation 17(8) of the Listing Regulations, a Certificate from Managing Director/ CEO and Chief Financial Officer of the Company, on the financial statements of the Company was placed before the Board in the Meeting held on 09.08.2021 and the same is annexed to this report, also forms part of this Annual Report.

20. Certificate on Corporate Governance

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

21. GENERAL SHAREHOLDER' INFORMATION:

a) 22nd Annual General Meeting:

Date : **Monday, 27th September, 2021**
 Time : **2.00P.M.**
 Venue : **Through VC/Other Audio Video Mode**

b) Financial Year

: **1st April to 31st March**

Financial Calendar for 2021-22 : The following are tentative dates:

First Quarter results : 2nd Week of August, 2021
 Second Quarter results : 2nd week of November, 2021
 Third Quarter results : 2nd week of February, 2022
 Annual results for 2021-22 : 4th Week of May, 2022
 AGM for the year 2021-2022 : 4th Week of September, 2022.

c) Dates of Book Closure

: 20th September, 2021 to 27th September, 2021
 (Both days inclusive)

d) Dividend Payment Date

: No dividend is recommended for the
 Year ended on 31st March 2021.

e) Listing on Stock Exchanges

: Bombay Stock Exchange Ltd,
 National Stock Exchange of India Limited
 The Calcutta Stock Exchange (CSE) (Delisting is under Process)

f) Stock Code/Symbol

: BSE : 534748
 NSE : STEELXIND
 CSE : 26498/PYXIS

g) Market Price Data:

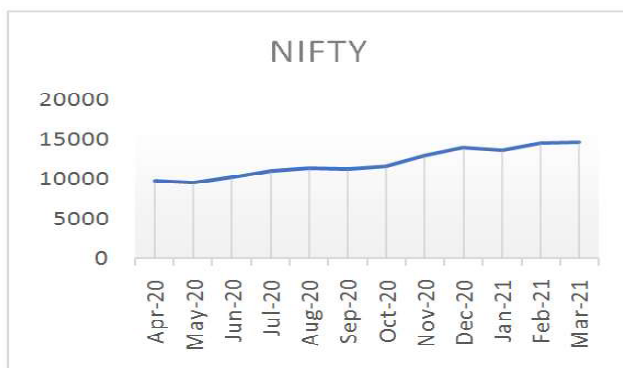
The Securities of the Company are actively traded in the Bombay Stock Exchange Ltd, Mumbai. The monthly high/low prices of share of the Company and number of shares traded during each month on the Stock Exchange, Mumbai during year 2020-21, are given below:

Month & Year	Price in BSE		Price in NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr-2020	14.50	12.00	14.65	11.85
May-2020	13.00	11.61	13.00	11.70
Jun-2020	25.84	12.00	26.50	11.50
Jul-2020	29.15	24.00	29.50	24.35
Aug-2020	41.00	27.85	41.95	27.50
Sep-2020	42.10	33.85	42.50	33.60
Oct-2020	37.00	31.05	37.15	31.40
Nov-2020	36.00	31.40	35.45	31.50
Dec-2020	47.05	31.00	47.00	30.30
Jan-2021	55.50	46.05	53.90	46.00
Feb-2021	55.80	45.10	55.40	45.95
Mar-2021	64.85	51.00	64.85	50.00

Source: www.bseindia.com and www.nseindia.com

h) Relative movement chart: Performance in comparison to broad - based indices BSE Sensex and NSE nifty

The Chart below gives the relative movement of the closing price of the Company's share and the closing price of the BSE Sensex and Nifty 50 between 01st April, 2020 to 31st March, 2021.



i) Registrar & Share Transfer Agents:

The Company has engaged the services of M/s Venture Capital and Corporate Investments Private Limited, Hyderabad; a SEBI registered Registrar, as their Share Transfer Agents (RTA) for both physical and electronic segment and can be contacted by the Investors at the following address:

M/s Venture Capital and Corporate Investments Private Limited,

12-10-167, Bharatnagar, Hyderabad - 500 018, Telephone: +91 - 40 - 23818475 / 76; Fax: +91 - 40 - 23868024, Email: info@vccipl.com, investor.relations@vccipl.com

j) Share transfer System:

The Securities & Exchange Board of India (SEBI) has notified vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/2018/P/73 dated 20th April, 2018 and No. SEBI/HO/MIRSD/DOS3/ CIR/P/2018/115 dated 16th July, 2018 that except in case of transmission or transposition of securities, requests for effecting the transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository. Essentially, the shares in physical mode cannot be transferred after 5th December 2018. SEBI has extended the said dead line upto 31st March 2019 vide its Press Release No.49/2018 dated 3rd December 2018. However, the shareholders shall hold shares in physical form but shall not be allowed to transfer the shares. In view of this regulatory amendment, it is advisable to the shareholders, to dematerialize their securities as early as possible with ISIN INE503B01013 of the Company. The Company's shares can be dematerialized with the Depositories namely CDSL or NSDL through the Depository Participants. The Company's shares are compulsorily traded in the demat mode at NSE & BSE

Pursuant to SEBI circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, in which SEBI has directed all the Listed Companies to mandatorily record the PAN and Bank Account details of all their shareholders holding shares in physical mode. In these connections, the company has sent letters to the shareholders, who are holding shares in physical mode. The shareholders are once again requested to update their aforesaid details with M/s Venture Capital and Corporate Investments Private Limited, if details are not yet updated.

k) Distribution of Shareholding as on March 31, 2021:

STEEL EXCHANGE INDIA LIMITED				
Distribution Details on Face Value for the period ended 31.03.2021 INE503B01013				
Number of equity shares	Shareholders		Equity Shares	
	Number of shareholders	shareholders %	No. of Equity Shares held	Shareholding %
Upto - 500	45394	93.79	2531540	3.20
501 - 1000	1502	3.1	1246581	1.60
1001 - 2000	665	1.37	996622	1.20
2001 - 3000	235	0.49	603791	0.80
3001 - 4000	88	0.18	317267	0.40
4001 - 5000	94	0.19	446447	0.60
5001 - 10000	145	0.30	1091323	1.40
10001 and above	283	0.57	73155300	91.00
Total	55046	100.00	80388871	100.00

Shareholding Pattern by ownership as on 31st March 2021:

Sl.No.	Category	No. of Shares held	Shareholding %
PROMOTER AND PROMOTER GROUP SHAREHOLDING			
1	Promoter and Promoter Group - Indian Promoters - Foreign Promoters	3,59,45,063 211,504	44.72 0.26
	Sub-Total	3,61,56,567	44.98
PUBLIC SHAREHOLDING			
2	Mutual Funds and UTI	3537	-
3	Alternate Investment Funds	988978	1.23
4	Foreign Portfolio Investors	3590967	4.47
5	Banks, Financial Institutions, Insurance Companies (Central/State Government Institutions/ Non-Government Institutions)	2493	-
6	Central Government/ State Government	3,09,348	0.38
7	Foreign Body Corporate	30,50197	3.79
8	India Public	36286784	45.01
9	Non-Resident Individuals	118157	0.14
	Sub-Total	4,42,32,304	52.02
	Total	8,03,88,871	100.00

i) Dematerialization of Shares & Liquidity

As on 31st March 2021, 7,64,31,608 equity shares representing 95.07% were held in dematerialized form and 39,57,263 equity shares representing 4.93 % were in physical form. The Balance shares 1,86,08,750 are preferential shares allotted to the shareholders of Simhadri Power Limited as per the Scheme of Amalgamation approved by the Hon'ble High Court, which are in physical form.

The Company's shares are compulsorily traded in dematerialized form and the shares are regularly traded on Bombay Stock Exchange Limited, Mumbai (BSE) and National Stock Exchange of India Limited (NSE) The ISIN Number allotted for the Equity shares is INE503B01013.

m) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity.

As on 31st March 2021, there were no Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments of the Company.

No convertible instruments were issued and allotted during the year 2020-21 and as such no outstanding instruments that have an impact on equity.

n) Unclaimed Dividend

There is no unclaimed dividend, which remains unclaimed by the shareholders, to transfer to Investor Education & Protection Fund (IEPF).

o) Commodity price risks and commodity hedging activities : NIL

p) Plant Locations:

1. Integrated Steel Plant (ISP) - Sponge Iron Division, Rolling Division, SMS Billet Unit and 60 MW Power Plant :

Malliveedu, L.Kota Mandal, Vizianagaram Dist - 533 301.

2. Power Plant & Steel Ingot Division

Opp: Mandapalli New Bridge, Kothapeta (V & M) - 533 223 East Godavari (Dt). Andhra Pradesh. Telefax: +91 - 8855 - 244406

3. Bobbili Wire Drawing Division (Galvanised Wire Products):

S. No. 295 to 300, APIIC Growth Centre, Bobbili- 535 558.

q) Address for Correspondence:

Investor correspondence may be addressed to:

Registrars and Share Transfer Agents'/s Venture Capital and Corporate Investments Pvt. Ltd.

12-10-167, Bharatnagar, Hyderabad - 500 018, Telephone: +91 - 40 - 23818475 / 76, Fax: +91 - 40 - 23868024,

Email: info@vccipl.com

Company: The Company Secretary, Steel Exchange India Limited,

303, My Home LaxmiNivas, Greenlands, Ameerpet, Hyderabad - 500 016, Telephone: +91 - 40 - 23403725

Fax: +91 - 40 - 23413267, Email: cs@seil.co.in

r) List of all credit ratings obtained by the company along with any revisions thereto during the relevant financial year:

Instrument Type	Tenor	Amount (Rs. Cr)	Rating
Listed, Secured NCDs	Long Term	400.00	BWR D Assigned
Total		400.00	(INR Four Hundred Crores Only)

On behalf of the Board of Directors
For **Steel Exchange India Limited**

Place: Hyderabad
Date: 09.08.2021

B. Satish Kumar
Chairman and Managing Director
(DIN: 00163676)

DECLARATION OF COMPLIANCE WITH THE GENERAL CODE OF CONDUCT OF THE COMPANY

Compliance of Code of Conduct for Directors and Senior Management Personnel pursuant to the provisions as provided under Schedule V of SEBI (LODR) Regulations, 2015.

The Board laid down a Code of Conduct for all Board members and Senior Management personnel of the Company. The Code of Conduct is also posted on the website of the Company.

The Members of the Board and Senior Management personnel have affirmed compliance with code of conduct on an annual basis in respect of the financial year ended March 31, 2021.

Place: Hyderabad
Date: 09.08.2021

B. Satish Kumar
Chairman and Managing Director
(DIN: 00163676)

MD/ CEO AND CFO CERTIFICATE

For FY ended March 31, 2021
(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

To
The Board of Directors,
Steel Exchange India Limited

- a) we have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March, 2021 and that to the best of our knowledge and belief:
- i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violate 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 over financial reporting, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies. In our opinion, there are adequate internal controls over financial reporting.
- d) We have indicated to the Auditors and the Audit Committee that there are no:
- i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - iii) instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

For STEEL EXCHANGE INDIA LIMITED

Place: Visakhapatnam
Date: 09.08.2021

Bandi Satish Kumar
Managing Director
DIN : 00163676

Bandi Ramesh Kumar
Chief Financial Officer
DIN : 00206293



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Steel Exchange India Limited
303, My Home Laxmi Nivas
Green Lands, Ameerpet, Hyderabad-500016

1. We have examined the compliance of the conditions of Corporate Governance by Steel Exchange India Limited having CIN L74100TG1999PLC031191, for the year ended on March 31, 2021, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub regulation 2 of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations").
2. The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.
3. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2021.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Bhavani & Co**
Chartered Accountants
Firm Registration No: 012139S

CA. S Kavitha Padmini
Partner
M.No.229966
UDIN : 21229966AAAADT8761

Place: Hyderabad
Date : 09.08.2021

MANAGEMENT DISCUSSION AND ANALYSIS

The Company's operating and financial review is intended to convey the Management's perspective on the financial and operating performance of the Company during the period 2020- 21, and outlook for the current financial year. This Report should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Annual Report. This report is an integral part of the Directors' Report.

GLOBAL ECONOMY FOR STEEL INDUSTRY & OUTLOOK:

The global economy was significantly impacted by COVID-19 led disruptions in 2020 resulting in contraction across the leading economies barring China. China has been the only major economy to register a growth of 2.3% in 2020, whilst other economies witnessed a contraction. Although recovery was seen in the second half of 2020 with lifting of lockdowns, it has been inconsistent across countries due to resurgence of infections, varying levels of policy support and access to medical facilities. In view of the same, the International Monetary Fund ('IMF') estimates that the global economy shall contract by -3.5% in 2020 as against a growth of 2.8% in 2019.

The steel industry (excluding China) also witnessed a significant decline in production and demand during the first half of 2020. However, an almost equally stronger recovery has been witnessed in the second half of the year. According to World Steel Association ('WSA'), global crude steel production reached 1,864 million tonnes in 2020, down by 0.9% as compared to 2019. China has produced 1,053 million tonnes of crude steel in 2020, up by 5.2% over 2019. China's share of global crude steel production has also increased from 53.3% in 2019 to 56.5% in 2020. Global steel demand has also seen only a minor contraction of ~0.2% in 2020 due to a very strong recovery in China during H1 2020 and a better than expected rebound in the rest of the world during H2 2020.

Although economic activity witnessed a strong rebound towards the end of 2020, COVID-19 is expected to have a lasting impact going forward, as many countries and sectors are going through an uneven recovery. While the current recovery momentum is well supported by ongoing vaccination and stimulus measures, renewed waves and new variants of the virus continue to pose concerns on the outlook. Against this backdrop, IMF is projecting the global economy to grow by 5.5% in 2021 as against the estimated contraction of -3.5% in 2020. In its 14th Five Year Plan, China has announced a 6% GDP target for 2021 with emphasis on reforms, innovation and high-quality development.

WSA is projecting the world steel demand to reach ~1,874 million tonnes in 2021, growing by 5.7% over 2020, supported by expected stabilization in COVID-19 infections by mid-2021 and a steady progress in vaccination resulting in gradual return to normalcy in major steel using countries by the end of the year. China's steel demand is projected to cross the billion-ton mark in 2021 with total finished steel consumption of 1,025 million tonnes, growing by 3% over 2020. With expected steel demand growth of ~9.3%, the share of the world, ex-China, in global consumption is expected to increase to 45% in 2021 from 44% in 2020. However, China will continue to dominate the global steel industry with a share of ~55%.

The World Steel Association (World steel) recently released its Short-Range Outlook (SRO) for 2021 and 2022. World steel forecasts that steel demand will grow by 5.8% in 2021 to reach 1,874.0 million tonnes (Mt), after declining by 0.2% in 2020. In 2022 steel demand will see further growth of 2.7% to reach 1,924.6 Mt.

The current forecast assumes that the ongoing second or third waves of infections will stabilise in the second quarter and that steady progress on vaccinations will be made, allowing a gradual return to normality in major steel-using countries.

Commenting on the outlook, Mr Al Remeithi, Chairman of the World steel Economics Committee, said, "despite the disastrous impact of the pandemic on lives and livelihoods, the global steel industry was fortunate enough to end 2020 with only a minor contraction in steel demand. This was due to a surprisingly robust recovery in China, with growth of 9.1%. In the rest of the world steel demand contracted by 10.0%. In the coming years, steel demand will recover firmly, both in the developed and developing economies, supported by pent-up demand and governments' recovery programmes. However, for most developed economies a return to the pre pandemic levels of steel demand will take a few years.

While it is hoped that the worst of the pandemic is passing, there is still considerable uncertainty for the rest of 2021. The evolution of the virus and progress of vaccinations, withdrawal of supportive fiscal and monetary policies, geopolitics and trade tensions could all affect the recovery envisaged in this forecast. For the future, structural changes in a post-pandemic world will bring about shifts in steel demand shape.

The steel industry will see exciting opportunities from rapid developments through digitisation and automation, infrastructure initiatives, reorganisation of urban centres, and energy transformation. All at the same time as the industry is responding to the need to produce low-carbon steel."

**INDIAN ECONOMY FOR STEEL INDUSTRY & OUTLOOK:**

The COVID-19 pandemic resulted in a nation-wide lockdown in India in Q1FY2021 and was one of the strictest lockdowns globally. This resulted in a GDP contraction of ~24% in Q1FY2021 as most of the economic activity was halted during April-May. However, India has witnessed a gradual resumption of economic activity from Q2FY2021 onwards. The initial recovery was driven by government spending on infrastructure, exports and rural economy. The recovery has gained momentum since August 2020 with pickup in consumption demand driven by festive buying and return of urban consumption resulting in GDP growth of 0.4% in Q3 FY2021. Despite this recovery, India is estimated to see a contraction of ~8% in the annual GDP of FY2021 due to sharp fall seen in H1FY2021.

India's steel industry has also suffered from production losses due to lockdown in Q1FY2021 and recovered gradually since then, initially driven by exports followed by gradual recovery in domestic demand. A strong rebound in manufacturing and infrastructure development activity during H2FY2021 has led to a sharp rise in both production and consumption of steel in India. According to the Joint Plant Committee, India's crude steel production has reached ~92 million tonnes during the period April 2021 to February 2022 and is estimated to reach 103 million tonnes by end of FY2021, registering a decline of ~5.5% over the last year. India's finished steel demand is estimated to be ~93 million tonnes for FY2021 as against ~100 million tonnes in FY2020, a drop of ~7%.

India is expected to witness a full economic recovery in H2FY2022 and is projected to grow by ~9.5% in FY2022 driven by (a) ongoing vaccination supporting the current recovery momentum; (b) restart of investment cycle with significant spending on infrastructure and (c) continued recovery in consumption supported by urban demand, accentuated by work-from-home and preferences for personal mobility along with rising rural incomes and affordability. However, normal growth levels would only be seen in FY2023, provided no further economic disruption occurs and the vaccination drive achieves its target of covering more than 30% of the population by end of 2021.

Within the steel industry, current production and consumption levels are indicating a near full recovery. Continuing the current momentum and new capacities coming on stream, India's crude steel production is expected to reach ~116 million tonnes in FY2022, growing by ~12.5% over last year. India's finished steel demand is also expected to reach 107 million tonnes in FY2022, up by ~15% over FY2021, driven by strong infrastructure spending and sustained demand of automotive and consumer durables.

India is currently the world's 2nd largest producer of crude steel and is the world's largest producer of Direct Reduced Iron (DRI) or Sponge Iron. India surpassed Japan to become the world's second largest steel producer in 2019 with crude steel production of 111.2 million tonnes (MT). In FY20, crude steel production and finished steel production in India was 108.5 MT and 101.03 MT, respectively.

Indian Government has taken various steps to boost the sector including the introduction of National Steel Policy 2017 and allowing 100% Foreign Direct Investment (FDI) in the steel sector under the automatic route. According to the data released by Department for Promotion of Industry and Internal Trade (DPIIT), the Indian metallurgical industries attracted Foreign Direct Investment (FDI) to the tune of US\$ 14.24 billion in the period April 2000-September 2020. In December 2020, the Minister for Petroleum & Natural Gas and Steel, Mr. Dharmendra Pradhan, has appealed to the scientific community to Innovate for India (I4I) and create competitive advantages to make India 'Aatmanirbhar'.

Government of India's focus on infrastructure and restarting road projects is aiding the boost in demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel. The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of ` 200 crore (US\$ 30 million). The National Steel Policy, 2017, has envisaged 300 million tonnes of production capacity by 2030-31. The per capita consumption of steel has increased from 57.6 kg to 74.1 kg during the last five years. The government has a fixed objective of increasing rural consumption of steel from the current 19.6 kg/per capita to 38 kg/per capita by 2030-31. Thus, showcasing a significant growth opportunity and huge untapped potential in the steel manufacturing sector. Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

MAJOR OPPORTUNITIES IN STEEL INDUSTRY:

Government focuses on strengthening the domestic manufacturing base under the Aatmanirbhar Bharat program presents a strong opportunity for steel consumption in India. The production linked incentive scheme, which intends to incentivise the

additional production in India, is expected to boost steel demand in automobile & Auto components, consumer durables, solar equipment, telecom, etc.

The Government has announced an investment of over 1 trillion in infrastructure over the next 5 (five) years. This would be a key growth driver not only for steel but will also be a multiplier of growth across the sectors, boosting steel demand from sectors such as transportation, real estate and urbanization as well.

Emergence of new trends after COVID-19, such as work from home, preference to physical distancing would create additional demand for furniture, personal mobility, etc. In addition, the rise in e-commerce activity will support the growth of warehousing and light commercial vehicles.

The company's operations are linked to the nation's steel sector in such a way that a rise in demand for steel would increase the demand for iron ore pellets, sponge iron and steel billets. The various sectors that are expected to contribute to the growing demand are infrastructure, roads, railways, bridges, airports, industrial plants, buildings, automobiles, etc. and the renewed importance given by Government on affordable housing, roads, and other infrastructure projects are expected to create steel demand, this will augur well for sponge iron industry also.

With the Global economies opening up gradually, India also needs to get back to its full capacity at the earliest to be a successful economy that it aims to be. The pandemic presents a unique opportunity for India and its industries to increase influence in the global supply chain. With a likely realignment of global supply chains, India has the skill, resources and expertise to emerge as a location of choice. The Rs. 20 trillion fiscal and monetary stimulus package to make India self-reliant is a step in the right direction. The increased focus on strengthening the micro, small and medium enterprises (MSMEs), considered to be backbone of the economy, assumes paramount importance. The Metals and Mining sector in India is expected to witness a major reform in the next few years, owing to reforms such as Aatmanirbhar Bharat, Make in India Campaign, Smart Cities, Rural Electrification and a focus on building renewable energy projects under the National Electricity Policy as well as the rise in infrastructure development.

According to the IEA report, demand for power has seen an upward trend in recent years. Moreover, it is expected that it will continue on the same trajectory due to economic development, rapid urbanization, growing appliance ownership, and thrust towards rural electrification. The Government continues to focus on increasing the share from sustainable renewable energy sources to reduce the dependency on traditional fossil-fuel based energy sources. India's power sector is forecasted to attract investments worth Rs. 9-9.5 trillion between FY 2019-23.

MAJOR THREATS IN STEEL INDUSTRY:

The key threat to the steel industry continues to be the smooth availability and the price volatility of iron ore and coal, which are the key raw materials. Due to the expiry of a large number of iron ore mining licenses in March, 2020, Steel producers faced a raw material crisis this year. Iron ore lumps prices are also increasing. The non-availability of non-coking coal and the rising prices of Iron Ore might pose significant challenge in the future.

Apart from the disruptions caused to be caused by the COVID-19 pandemic, in the near future, we do not foresee any major threat to the industry segments in which the Company operates. We have taken a number of initiatives across the organization to improve quality and reduce cost which will aid in preserving and enhancing our margins. As we march forward with the hope of stepping into a better world post COVID-19, with the available infrastructure and strong team, the Company is all set to make its contribution in the growth of the nation.

Resurgence of infections leading to fresh lockdowns, both localized as well as at regional / national levels resulting in disruption in economic activity. Large dependence of the agricultural sector on monsoon. In the last 2 (two) years a normal monsoon has supported the growth in the agricultural sector. Slower recovery in services, which is the backbone of Indian economy.

DIVISION WISE PERFORMANCE OF THE COMPANY FOR THE YEAR ENDED 31.03.2021

1) Trading Division

The Trading division deals with a wide range of products from finished steel products to related items semis, coal, scrap, Sponge Iron etc. The division has been primarily responsible for developing the marketing base for the company throughout the coastal region of Andhra Pradesh. The division deals with the products manufactured by the Company, RINL (Vizag Steel), and other manufacturers for the products.

The division reported a turnover of Rs. 162.14 crores for the year ended 31st March 2021 compared to Rs. 87.2 crores in the previous year ended 31st March 2020.

2) Steel Ingot Division - 90,000 TPA

This division manufactures ingots using sponge iron and scrap / pig iron. The unit also has a power generation unit using natural gas for captive consumption. The company continued with low level of operations for the period under review keeping in view the market conditions and sold the power produced from the Power Plant.

The division reported a turnover of Nil which came from sale of power compared to the turnover of power Rs. 0.14 crores in the previous year.

3) Integrated Steel Plant:

The Integrated Steel Plant (ISP) of the Company is located at Sreerampuram Village, L. Kota Mandal, Vizianagaram District and consists of following units:

1. Sponge Iron Unit - 220,000 TPA
2. SMS Billet Unit - 250,000 TPA
3. Rolling Unit - 225,000 TPA
4. Captive Power Plant - 60MW

The total revenue for the period under review from ISP stood at Rs.725.97 crores as against Rs. 664.18 crores in the previous year. The division reported marginal increase in turnover on year to year compared to previous year. The TMT bars produced are sold under the well-established brand name Simhadri TMT Bars.

The total revenue from the sale of Power for the period under review from Power Division stood at Rs. 10.30 crores compared to Rs. 28.91 crores in the previous year. The division reported decrease in turnover on year-to-year basis as there was no firm arrangement for off take of surplus power capacity and the plant was operated only at 52% PLF compared 61% in the previous year. The surplus power produced over and above captive consumption was sold on the exchange on day-to-day basis.

FINANCIAL PERFORMANCE OF THE COMPANY FOR THE YEAR ENDED 31.03.2021**1) Share Capital**

The Authorized capital of the Company is 332,00,00,000/- and the paid-up share capital of the company is 80,38,88,710/- . There is a change in the Paid-up share capital of the Company during the year. During the year the Company has allotted 44,04,059 equity shares of the face value of Rs. 10/- each at an issue price of Rs. 39/- per share (including share premium of Rs. 29/- per share) on preferential basis to Group of Investors belongs to Edelweiss Group.

2) Reserves and Surplus

For the year ended 31st March 2021, the Reserves and Surplus have increased from Rs. 64.16 crores to Rs. 140.10 crores due to the profit transferred from the profit and loss account amounting to Rs. 139.97 crores and Other Comprehensive income of Rs. 0.12 Crs. During the period.

3) Secured Loans

There has been a decrease in secured Loans from Rs. 984.21 crores to Rs. 375.99 Crores Due to One Time Settlement of the Dues of the company with all existing lenders during the year ended 31.03.2021.

4) Unsecured Loans

There has been an increase in Unsecured Loans to Rs. 62.01 Crores from Rs. 30.08 Crores. The increase is mainly on account of working Capital Requirements of the company during the year ended 31.03.2021.

5) Fixed Assets

During the year under review, the Fixed Assets and the total Fixed Assets (net Block) stands at Rs. 618.30 crores as against Rs. 670.08 crores in the previous year.

OPERATIONAL PERFORMANCE OF THE COMPANY FOR THE YEAR ENDED 31.03.2021**1) Income**

The income of the Company was Rs. 922.04 crores for the year ended 31st March, 2021 as against Rs. 791.42 crores

in the previous year ended 31st March 2020. During the year the total revenue of the company increased by 16.5% compared to the previous financial year on account of Demand in steel and increase in prices of the steel.

2) Direct Cost & Other expenses

The Direct Costs comprising of cost material consumed, changes in inventories of finished goods, stock in trade & work-in-progress and purchases of traded goods was to Rs. 704.74 crores for the year as against Rs. 611.79 crores in the previous year ended 31st March, 2020.

Other expenses comprise of other manufacturing expenses, staff costs, administration and selling & distribution expenses etc. The same was Rs. 77.60 crores for the year ended 31st March 2021 as against Rs. 98.27 crores in the previous year ended 31st March 2020. The Company continues its efforts to minimize the costs and overheads.

3) Interest Cost

For the year under review, the interest and financial charges were Rs. 26.24 Crores representing 2.92% of the turnover as against Rs. 3.47 crores representing 0.44% of the turnover in the previous year.

4) Depreciation

The company has provided a sum of Rs. 24.70 crores towards depreciation for the year under review as against Rs. 27.24 crores in the previous year.

5) Provision for Tax

The Company has not provided any amount towards income tax as the Company has accumulated losses. The accumulated losses of GSAL (India) Limited were transferred to the company upon its amalgamation with the company. The deferred tax provision for the period under review is Rs. 2.66 Crores as against (Rs. 25.12) crores in the previous year.

6) Total Comprehensive income/Loss (Net Profit/Loss):

The operations for the year ended 31st March 2021 have resulted in a Net Profit of Rs. 140.10 crores as against Rs. 64.16 crores Net Loss in the year ended 31st March 2020.

7) Dividend:

No Dividend is recommended on the Equity Shares for the year ended 31st March 2021.

8) details of significant changes in key financial ratios:

Details of Ratio	2020-21	2019-20	% Change	Reason / Remarks
Debtors' turnover (no. of days)	22.36	17.76	26%	Due to Economy Slowdown.
Inventory turnover (no. of days)	180.71	308.67	-41%	NA
Interest coverage ratio	NA	NA		Negotiations on OTS (One Time Settlement) is under process during the years, hence interest provision not provided.
Current ratio	1.42	0.65	119%	Due to temporary issues in utilization of working capital finance.
Debt equity ratio	2.25	7.92	-72%	Due to OTS (One Time Settlement) with Lenders and Due to debt and reduction
Operating profit margin (%)	14.30%	11.97%	19%	Improved market realization
Net profit margin (%)	15.59%	8.22%	90%	Indicates optimum capacity and Increase in
Return on net worth (%)	46%	41%	12%	Steel Prices during the year.

RISKS AND CONCERNS

Risk is an integral factor in virtually in types of businesses. At Steel Exchange India Limited, risks are adequately measured, estimated and controlled. Irrespective of the type of risk or the activity that creates it, the Company's fundamental approach to risk management remains the same: identify and measure risks, leverage an in-depth knowledge of the business and competitors and respond flexibly in the understanding and management of risks. Domestic challenges like inflation, liquidity crunch, slower industrial growth, depreciating rupee, political instability and increasing commodity prices might affect performance of the industry in future.

The global steel output growth momentum stalled since the latter half of FY2019. Steel production growth rates were down to 3% in the last quarter of FY2020 mainly due to a sharp fall in steel prices and high price of raw materials. This growth rate was thoroughly affected by the COVID-19 pandemic in 2020 and has become negative. COVID - 19 is an unprecedented crisis expected to have a multi-year effect. The lifting of the lockdown and liquidity injection has aided economic recovery from sharp contraction in the early half of 2020. Demand for steel started recovering in H2FY2021. If an effective vaccine is successfully distributed by end of 2021, demand will continue to increase in 2022. As a result of suppressed demand in 2020-22, the necessity of stock replenishment and government investments shall increase.

Steel consuming sectors were disrupted and recovery in manufacturing will likely to be moderate while construction will continue to be resilient. Steel Production recovery was also led by China in the second half of 2020, recording an all-time high production while rest of the world had a low utilization. China will continue to perform better than forecasts driven by stimulus. While China's demand will remain high, slower recovery will be seen in rest of the world. China's investment in infrastructure has led to a surge in demand for commodities, especially steel. Healthy revival in India, Iran, Turkey coupled with stable demand in South - East Asia will support recovery in 2021. Steel prices and spot spreads have increased sharply from the lows in June 2020. Domestic steel prices have witnessed significant uptick in the past few months with resurgence in demand and strong international prices. However, this sharp surge has raised concerns about sustainability with inflation having emerged as a key risk given the supply chain disruption and the excess liquidity. Other than the pandemic, geopolitical tensions abound and have the potential to escalate into a significant event which can adversely impact global economic and financial conditions. The geopolitics of COVID-19 will shape the global business environment as the debate on self-reliance will continue to heat up. Moreover, increasing coronavirus cases in USA and Europe might pose a fresh risk to the global economy.

In FY2021, the Company focused on value chain excellence, overall operational excellence, pandemic & crisis management, responsible steel, through put maximization, enriching product mix, customer centricity with diversification of customer base, sustainable initiatives, employee engagement, synergy & integration and leveraging IT & digital to survive the most critical situation due to pandemic. The Company is looking for a position of robust liquidity management & deleveraging and working capital optimization with better inventory planning.

The Risk Management Committee was constituted on 9th August, 2021 in the Company. The company is planning to set up SOPs (Standard operating Procedures) in all the functional units across all locations with robust risk identification and mitigation mechanisms for management reporting as per risk governance structure.

SUCCESSFUL IMPLEMENTATION OF DEBT RESOLUTION SCHEME BY WAY OF OTS (ONE TIME SETTLEMENT):

SEIL submitted its proposal for settlement of dues of banks under Consortium Banking Arrangements led by State Bank of India under One Time Settlement Scheme initially in February, 2019 for a total consideration of Rs. 423 crores for entire Consortium which was subsequently improved to Rs. 440 crores and accepted by the Lenders.

Further, the company agreed to pay an additional amount of Rs. 70.17 crores to the lenders holding exclusive collateral securities, in addition to amount payable to Consortium of Rs 440 Crores.

The compromised amount was to be paid within 14 months from the date of implementation of the Scheme and 31.07.2020 has been taken as cutoff date for the same. The last instalments are due in August 2021.

But the company has successfully paid Rs 510.17 Crores and settled the dues of all the Lenders on 29.01.2021 that was almost 7 Months before the due date of OTS by raising listed NCDs under private placement amounting to Rs. 382.80 crores which was subscribed by M/s Edelweiss and Rs.17.20 crores by way of equity share subscription for 44,04,059 equity



shares on 01.02.2021 at a price of Rs. 39 per share which includes share premium of Rs. 29 per share and the Balance amount from the operations and sale of Non-core assets of the Company.

INTERNAL CONTROLS & THEIR ADEQUACY

The Company has in place adequate systems of internal control commensurate with its size and nature of its business. These have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorised use or disposition and that all transactions are authorised, recorded and reported correctly.

The internal control systems are reviewed at regular intervals by the Audit Committee and corrective actions are initiated whenever deemed necessary. The Committee also meets the Company's Internal Auditors as well as Statutory Auditors to ascertain, inter alia, their views on the adequacy of internal control systems of the Company and keeps the management informed of its major observations.

HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

The Company considers the quality and commitment of its human resources to be its most important asset and places great emphasis on training and development of human resources at all levels and providing conducive working environment. The Management firmly believes that business cannot grow without utilising the potential of its human resources.

As on 31st March, 2021 the total strength of employees is 816 and Trainees is 112. Your Company maintains a cordial relationship with its employees and values the safety of its employees ensuring safe work practices and the Board of Directors and the Management record their appreciation of all its employees for their valuable contribution towards the growth of the Company.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's estimates and expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

Form No. MR-3
Secretarial Audit Report
For the Financial Year ended 31st March, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Steel Exchange India Limited,
CIN: L74100TG1999PLC031191
303, Laxmi Nivas Apts.
Hotel Green Park, Greenlands,
Hyderabad-500073

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Steel Exchange India Limited (hereinafter called 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 M/s. Steel Exchange India Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2021, 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 M/s Steel Exchange India Limited ("the Company") for the financial year ended on March 31, 2021 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) 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.
- 5) 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;
 - d. Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not applicable to the Company during the Audit Period;
 - e. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;
 - g. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable as the Company has not delisted from any stock exchange during the financial year under review; and



- h. Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable as the Company has not bought back its securities during the financial year under review.
- 6) Other laws applicable specifically to the Company namely:
- i. The Electricity Act, 2003
 - ii. Indian Boilers Act, 1923
 - iii Explosives Act, 1884
 - iv National Tariff Policy
 - v Mines Act, 1952

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above subject to the following observation:

Non submission of advance notice of board meeting under Regulation 29 (2) of SEBI (LODR) Regulations, 2015 held on 10.02.2021 to NSE. However, the company has given clarification to NSE on the same. NSE has levied a fine of Rs. 11,800/- and the same has been paid by the Company on 16.04.2021.

We further report that, on examination of the relevant documents and records and based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of quarterly compliance reports by respective department heads / Company Secretary / Managing Director taken on record by the Board of Directors of the Company, in our opinion, there are adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws.

We further reported that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this audit since the same have been subject to review by the internal auditors and other designated professionals.

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. There were no changes in the Composition of Board of Directors during the period under review.

We further report that adequate notice was given to all Directors to schedule Board Meetings and its Committees and agenda with detailed notes were sent to all the directors at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications as may be required on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and there were no dissenting views.

We further report that, during the audit period,

The company has

1. Monetization of one or more Assets of the company under proposed debt Restructuring Scheme / One Time Settlement Scheme with Lenders of the Company by passing an Ordinary Resolution at the AGM held on 30.09.2020.
2. Issued of 76,92,306 Equity Shares to the promoters by way of conversion of unsecured loans by passing a special resolution at EGM held on 18.01.2021.
3. Issued of 44,04,059 Equity Shares of the Company on Preferential Basis by passing a special resolution at EGM held on 18.01.2021.

And there were no specific events/ actions in pursuance of the above referred laws, rules, regulations, guidelines etc. having a major bearing on the company's affairs.

Place: Hyderabad
Date: 09.08.2021

For B S S & Associates
Company Secretaries
S.Srikanth
Partner

ACS No.: 22119; C P No.: 7999
UDIN: A022119C000765169

This Report is to be read with our letter of even date which is annexed to the report and forms an integral part of this report.



To,
The Members,
Steel Exchange India Limited,
CIN: L74100TG1999PLC031191
303,Laxmi Nivas Apts,
Hotel Green Park, Greenlands
Hyderabad-500073

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For B S S & Associates
Company Secretaries

S.Srikanth
Partner

Place: Hyderabad
Date: 09.08.2021

ACS No.: 22119; C P No.: 7999
UDIN: A022119C000765169

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,
Steel Exchange India Limited,
CIN: L74100TG1999PLC031191
303, Laxmi Nivas Apts. Hotel Green Park,
Greenlands, Hyderabad-500073

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Steel Exchange India Limited having CIN: L74100TG1999PLC031191 and having registered office at 303, Laxmi Nivas Apts. Hotel Green Park, Greenlands, Hyderabad-500073 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority..

Sl. No.	Name of Director	DIN	Date of appointment in Company
01	Mr. Satish Kumar Bandi	00163676	01/10/2007
02	Mr. Suresh Bavineni	00181832	28/02/2000
03	Mr. Bandi Ramesh Kumar	00206293	09/02/2015
04	Mr. Suresh Kumar Bandi	00206473	28/02/2000
05	Mr. Veeramachaneni Venkata Krishna Rao	00206884	24/01/2000
06	Mr. Ramineni Ramachandra Rao	00226945	30/01/2006
07	Mr. Kodali Krishna Rao	00382726	31/01/2009
08	Mr. Siva prasad Chivukula	01904785	10/01/2008
09	Mr. Sujata Chattopadhyay	02336683	27/03/2015
10	*Mr.Venkata Narayana Reddy Godi	05358117	30/07/2012

*Cessation on 06.05.2021

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

For B S S & Associates
Company Secretaries

S.Srikanth
Partner

Place: Hyderabad
Date: 09.08.2021

ACS No.: 22119; C P No.: 7999
UDIN: A022119C000765147

Disclosure of particulars of Contracts/Arrangements entered into by the Company
FORM NO. AOC-2

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

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

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

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2021, which were not at arm's length basis.

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

The below material contracts or arrangement or transactions at arm's length entered into during the year ended March 31, 2021.

Name of the related party	Vizag Profiles Private Limited	SAWP Steel Limited.
Name of the Director or KMP who is related, if any	Shri B Suresh Kumar, Shri B Suresh and Shri V V Krishna Rao are the common directors in SEIL and VPPL	Mr. Mohit Sai Kumar Bandi, S/o. Mr. Bandi Ramesh Kumar, and other relatives of directors holding more than 20percent of total shareholding in M/s. SAWP Steel Limited
Nature of relationship	Group Company/Common Directors	Holding more than 20 percent of Shareholding by Director and immediate relative of Director.
Nature, material terms, monetary value and particulars of the contract or arrangements	Sale, purchase or supply of goods or materials Availing or rendering of services and leasing of property	Sale, purchase or supply of goods or materials Availing or rendering of services and leasing of property
Any other information relevant or important for the members to take a decision on the proposed resolution.	Raw material available with related party in-house and of desired quality at market price.	Raw material available with related party in-house and of desired quality at market price.

On behalf of the Board of Directors
For Steel Exchange India Limited

Place: Visakhapatnam
 Date: 09.08.2021

B. Satish Kumar
 Chairman and Managing Director
 (DIN: 00163676)

The conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014:
A. CONSERVATION OF ENERGY:

- 1) The steps taken or impact on conservation of energy:
 - a. Oil purification machine-for maintaining the Oils quality & thereby conservation of lubricating Oil
 - b. VFD are installed for molasses pumps in Briquetting machine and weigh feeders of DRI feed system
- 2) The steps taken by the Company for utilizing alternate sources of energy: NA
- 3) The Capital investment on energy conservation equipment: -N.A.-
 - a. Installed Variable Frequency Drives (VFD) for pumps in the SMS to save the energy on regulating the valves.
 - b. Installed Variable frequency drives for Hot Charging System for efficient operation
 - c. Stoppage of Re-Heating Furnace completely and Re-rolling of Billets completely through Hot-Charging.
 - d. OMNI Screen was installed in DRI-RMPP coal stream with an investment of 1Cr to reduce the fines generation by avoiding long distance travel through exiting belt conveyors, which in turn reducing the Power consumption of Belt conveyors.

B. TECHNOLOGY ABSORPTION: Nil

- i. The Efforts made towards technology absorption: Nil
- ii. The Benefits derived like product improvement, cost reduction, product development or import substitution: Nil
- iii. Details of technology imported during the past 3 years:
No technology has been imported during the past 3 years.
 - a. The details of technology import: Nil
 - b. The year of import: Nil
 - c. Whether the technology has been fully absorbed: Nil
 - d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: -NIL-
- iv. The expenditure incurred on Research and Development: -N.A.-

C. FOREIGN EXCHANGE EARNINGS AND OUT GO:

- 1) The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

Particulars	March 31, 2021	March 31, 2021
Used (Outgo)	102.01	Nil
Earned	Nil	Nil

On behalf of the Board of Directors
For Steel Exchange India Limited

Place: Visakhapatnam
 Date: 09.08.2021

B. Satish Kumar
 Chairman and Managing Director
 (DIN: 00163676)

Annual Report on CSR Activities

- Brief outline on CSR Policy of the Company: The CSR Committee has formulated a CSR policy of the Company for undertaking the activities as specified in Schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee:

Sl. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Chivukula Siva Prasad	Independent Director	1	1
2	Ramineni Ramachandra Rao	Independent Director	1	1
3	Kodali Krishna Rao	Independent Director	1	1

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: http://seil.co.in/Code_and_Policies.html
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2019-20	Nil	Nil
2	2018-19	Nil	Nil
3	2017-18	Nil	Nil
	Total	Nil	Nil

- Average net profit of the company as per section 135(5): Nil
- (a) Two percent of average net profit of the company as per section 135(5): NA
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
(c) Amount required to be set off for the financial year, if any: Nil
(d) Total CSR obligation for the financial year (7a+7b-7c): NA
- (a) CSR amount spent or unspent for the financial year:

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.												
2.												
	Total											

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Support to Education	(iii)	Yes	Andhra Pradesh	Visakhapatnam	8,52,492	Yes	NA	NA
2.	Covid-19 Care Center	(i)	Yes	Andhra Pradesh	Visakhapatnam	5,26,730	Yes	NA	NA
	Total					13,79,222			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): 13.79 Lakhs

(g) Excess amount for set off, if any: Nil



Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	13,79,222
(iii)	Excess amount spent for the financial year [(ii)-(i)]	13,79,222
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	13,79,222

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer.	
1.	2017-18	NIL	NIL	NA	NIL	NA	NIL
2.	2018-19	NIL	NIL	NA	NIL	NA	NIL
3.	2019-20	NIL	NIL	NA	NIL	NA	NIL
	Total	NIL	NIL	NA	NIL	NA	NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (In Rs.)	Status of the project - Completed /Ongoing.
1	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year(Asset-wise details):

- (a) Date of creation or acquisition of the capital asset(s): NA
- (b) Amount of CSR spent for creation or acquisition of capital asset: Nil
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: NA
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

Sd/-
Managing Director

Sd/-
(Chairman CSR Committee)

Annexure-5
Statement of particulars as per Rule 5 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.

Sl.No.	Name of the Director/CFO/Company Secretary	(I) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	(ii)The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year
1	B. SATISH KUMAR, MD	28.31	NIL
2	B. SURESH KUMAR, JMD	25.74	NIL
3	B.RAMESH KUMAR, JMD & CFO	25.74	NIL
4	V. V. KRISHNA RAO	NA	NIL
5	B. SURESH	NA	NIL
6	R. RAMACHANDRA RAO*	NA	NIL
7	C. SIVA PRASAD*	NA	NIL
8	K. KRISHNA RAO*	NA	NIL
9	G. VENKATA NARAYANA REDDY*	NA	NIL
10	SUJATA CHATTOPADHYAY*	NA	NIL
11	M RAVEENDRA BABU, COMPANY SECRETARY	NA	NIL

* Mr. R. Ramachandra Rao, Mr. C. Siva Prasad, Mr.K.Krishna Rao, Mr. G. Venkata Narayana Reddy and Ms. Sujata Chattopadhyay were paid sitting fees for attending the Meetings.

There was no increase in Remuneration paid to Managing Director and Joint Managing Directors of the company during the Financial Year ended 31.03.2021

(iii) The percentage increase in the median remuneration of employees in the financial year is 7.9%

(iv) The number of employees on the rolls of company as on 31.03.2021

There are 816 Employees and 112 Trainees on the rolls of the Company.

(v) The explanation on the relationship between average increase in remuneration and company performance: there is no increase in the remuneration

Sl.No.	Average increase in remuneration	Company performance
1	NIL	Company posted Net Profit of Rs 140,09,64,885

(vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company

Sl.No.	Remuneration of Key Managerial Personnel	Performance of the Company for the year ended 31st March, 2021
1	Rs. 1,39,38,988	Rs 140,09,64,885

(vii) Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer.

S.No.	Particular	As at March 31, 2021		As at March 31, 2020	
1	Market Capitalization	BSE	Rs. 503.63 Crores	BSE	Rs. 98.40 Crores
		NSE	Rs. 500.82 Crores	NSE	Rs. 95.36 Crores
2	Price Earnings Ratio	BSE	5.41	BSE	1.53
		NSE	5.38	NSE	1.48

Market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:

The Company came with an Initial Public Offer in 27.07.2000 at the price of Rs.10/- per equity share. As on March 31 2021 the Market Quotation of the Company Share Price (Closing Price) is as follows:

- **BSE Limited: Rs.62.65 and NSE:62.30**

- (viii) **Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**

There are three Whole Time Directors i.e., B. Satish Kumar, Managing Director and B. Suresh Kumar, Joint Managing Director and B. Ramesh Kumar; Joint Managing Director. There was no increase in Remuneration paid to Whole Time Directors during the Financial Year ended March 31, 2021.

- (ix) Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company.

SI.No.	Name	Remuneration of Key Managerial Personnel	Performance of the Company for the year ended 31 st March, 2021
1	Mr.Bandi Satish Kumar, Managing Director	Rs. 67,38,988	Rs 140,09,64,885
2	Mr. Bandi Ramesh Kumar, CFO	Rs. 60,00,000	Rs 140,09,64,885
3	Mr. Raveendra Babu M, Company Secretary	Rs. 12,00,000	Rs 140,09,64,885

- (x) **The key parameters for any variable component of remuneration availed by the directors**

Except salary there is no addition to the monthly remuneration. The Remuneration is paid on the performance of the Company upon recommendation of Nomination and Remuneration Committee.

- (xi) **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year. -N.A.-**

- (xii) The Remuneration paid to Key Managerial Personnel is as per the Remuneration policy of the Company.

On behalf of the Board of Directors
For **Steel Exchange India Limited**

Place: Visakhapatnam
Date: 09.08.2021

B. Satish Kumar
Chairman and Managing Director
(DIN:00163676)

Annexure-6
CORPORATE POLICIES OF THE COMPANY

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, mandates the formulation of certain policies for all listed companies. The corporate governance policies are available on the Company's website, at www.seil.co.in. The policies are reviewed periodically by the Board and updated as needed. Key Policies of the Company are:

NAME OF THE POLICY	BRIEF DESCRIPTION	WEBLINK
POLICY ON FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS	The familiarization program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company.	http://seil.co.in/Code_and_Policies.html
ARCHIVAL POLICY	This policy deals with retention and Archival of corporate records of the company	http://seil.co.in/Code_and_Policies.html
NOMINATION AND REMUNERATION POLICY	This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive/ non executive) and also the criteria for determining the remuneration of the directors, KMP, senior management and other employees.	http://seil.co.in/Code_and_Policies.html
PERFORMANCE EVALUATION POLICY	This policy formulates the criteria for conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior of the Board of Directors.	http://seil.co.in/Code_and_Policies.html
CORPORATE SOCIAL RESPONSIBILITY POLICY	The policy outlines the Company's strategy to bring about a positive impact on society through programs relating to hunger, poverty, education, healthcare, environment, etc.	http://seil.co.in/Code_and_Policies.html
INSIDER TRADING POLICY	This policy formulates the criteria for trading of Equity shares of the company by Insiders of the company from time to time as per SEBI PIT Regulations.	http://seil.co.in/Code_and_Policies.html
RELATED PARTY TRANSACTION POLICY	The policy regulates all transactions between the Company and its related parties during the course of business transactions between them.	http://seil.co.in/Code_and_Policies.html
WHISTLEBLOWER POLICY – VIGIL MECHANISM	The Company has adopted Vigil Mechanism for Directors and Employees of the Company to report genuine concerns. The vigil mechanism provides for adequate safeguard against the victimization of Directors and employees and also provide direct access to the nodal officers of the Company	http://seil.co.in/Code_and_Policies.html
PRESERVATION OF DOCUMENTS POLICY	The Company has adopted this Policy for Preservation of Documents, as required under applicable regulations.	http://seil.co.in/Code_and_Policies.html
POLICY ON DISCLOSURE OF MATERIAL EVENTS / INFORMATION	This policy applies to disclosure of material event affecting the company and its subsidiaries.	http://seil.co.in/Code_and_Policies.html
CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURES	The policy regulates all Codes, Practices and Procedures for Fair Disclosures.	http://seil.co.in/Code_and_Policies.html

On behalf of the Board of Directors
For **Steel Exchange India Limited**

B. Satish Kumar
Date: 09.08.2021

Chairman and Managing Director
(DIN:00163676)



INDEPENDENT AUDITORS' REPORT

To
The Members of
STEEL EXCHANGE INDIA LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of M/s. Steel Exchange India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and except the effect of matter referred to in Basis for qualified opinion give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total 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 Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No	Key Audit matter
1.	<p>One-time settlement ('OTS') pursuant to Debt Resolution</p> <p>During the third quarter of the year ended 31 March 2021, 100% of the lenders under the debt resolution communicated their consent for the Company's proposal for one-time settlement of debt. This proposal also received an in-principle approval from all the lenders.</p> <p>Pursuant to the Debt resolution, the Company has repaid the borrowings as agreed on 29-01-2021. Accordingly, during the year 31 March 2021, the Company has written back the outstanding debt and interest which has been waived off under the One Time Settlement (OTS) and disclosed it as an 'exceptional item' in the Standalone Statement of Profit and Loss. We identified this as key audit matter for current year audit owing to the materiality of the amounts involved in this matter, significant efforts involved in accounting assessment by the management for recording the above transaction and also being a matter on which we had various discussions with those charged with governance during the year ended.</p> <p>Refer note no 3.28 to the Standalone Financial Statements</p> <p>Auditor's Response</p> <p>Principal Audit Procedure</p> <p>Our audit procedures included but were not limited to the following in relation to one-time settlement of debt:</p> <ol style="list-style-type: none"> Obtained an understanding of the management process for ensuring completeness, appropriateness of recognition and measurement including disclosure of the OTS transaction as at the year end. Reviewed the minutes of the joint lender forum meetings held during the year ended 31 March 2021, OTS sanction letters and no dues certificates issued by the respective lenders banks pursuant to Debt Resolution. Further, reviewed the minutes of the relevant meetings of the Board of Directors of the Company, approving the OTS transaction Traced the bullet repayment made by the Company to various lenders pursuant to the Debt Resolution to the underlying bank statements and remittance documents. Re-computed the amounts to be written back pursuant to one-time settlement of debt for the year ended 31 March 2021 and agreed it with the management's computation. Evaluated the appropriateness of the disclosures made in the standalone financial statements of the Company with respect to this matter.
2	<p>Evaluation of uncertain tax positions</p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer note no 3.32 to the Standalone Financial Statements</p> <p>Auditor's Response</p> <p>PRINCIPAL AUDIT PROCEDURE</p> <p>Obtained details of completed tax assessments and demands for the year ended March 31, 2021 from management .Discussed with the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Additionally, we considered the effect of new information in respect of uncertain tax positions as at March 31, 2021 to evaluate whether any change was required to management's position on these uncertainties.</p>
3	<p>Recoverability of Indirect tax receivables</p> <p>As at March 31, 2021, other non current assets include Indirect tax balance receivable amounting to</p>



Rs 13,68,61,795 out of which amount of Rs 7,96,93,400 are pending adjudication.
Refer Note 3.2 to the Standalone Financial Statements.

Auditor's Response

PRINCIPAL AUDIT PROCEDURE

We have verified the relevant documents and records, the sustainability and likelihood of recoverability upon final resolution.

4

Write-down of inventories to net realizable value

The Company's inventories amounted to INR 193.74 crores representing 20% of the Company's total assets as at 31 March 2021 and write-down of inventories amounted to INR 397.80 crores on account of Depletion/ erosion of inventory. Inventories are valued at lower of cost and net realization value. The Company has a policy for write-down of inventories to net realizable value on account of depletion/erosion of inventory, which is recognized on a case to case basis based on the management's assessment.

Write-down of inventories to net realizable value is subjective owing to the nature of inventories and is dependent on significant judgments, around probability of decrease in the realizable value of inventory due to depletion or lack of alternative use. Assessing net realizable value of inventory and identification of depleted inventory are areas requiring the use of significant judgments and owing to the inherent complexities and materiality of the balances, we have considered this area to be a key audit matter for current year audit.

Refer note no 3.28 in the accompanying standalone financial statements As at 31 March 2021,

Auditor's Response

PRINCIPAL AUDIT PROCEDURE

- a) Understood the management process for determining net realizable value of inventories and identification of depletion/erosion of inventories , tested whether the same is consistently applied;
- b) Evaluated and tested on a sample basis the design and operating effectiveness of key controls around inventory valuation operating within the Company;
- c) Inquired with the management about the depletion/erosion of inventories as at 31 March 2021 and evaluated the assessment prepared by the management including forecasted uses of these inventories on a test check basis;
- d) Tested the computation for write down of inventories with the assessment provided by the management and performed independent ageing analysis of the inventory line-items along with specific inquiries with the management to evaluate completeness of the inventory written down on account of depletion/erosion;
- e) Reviewed the historical trends of inventory write-downs to compare and assess the actual utilization or liquidation of inventories to the previous assessment done by the management to determine the efficacy of the process of estimation by the management;
- f) Reviewed the valuation report from independent valuer and assessed the basis of such write-down of inventories / write down of inventories to net realizable values.
- g) Assessed the appropriateness of disclosures in the financial statements in accordance with the applicable accounting standards.

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

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India including The Indian Accounting Standard specified under sec. 133 of the act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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 Section 143(3) of the Act, based on our audit we report that :
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.(Refer Note: 3.32 b&c)
 - ii. The Company didnot have any long-term contracts including derivative contracts for which there are for material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For BHAVANI &Co.
Chartered Accountants
Firm Reg. No:012139S**

**Place :Visakhapatnam
Date : 28.05.2021**

**(CA S KAVITHA PADMINI)
PARTNER
M.No : 229966
UDIN : 21229966AAAACU2937**

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Steel Exchange India Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **M/s. Steel Exchange India limited ("the Company")** as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For BHAVANI &Co.
Chartered Accountants
Firm Reg. No:012139S**

**Place :Visakhapatnam
Date : 28.05.2021**

**(CA S KAVITHA PADMINI)
PARTNER
M.No : 229966
UDIN : 21229966AAAACU2937**

"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2021:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the book records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
2. The management has conducted the physical verification of inventory at reasonable intervals. The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were material.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii) (a) to (C) of the Order are not applicable.
4. 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 Companies Act, 2013 In respect of loans, investments, guarantees, and security.
5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. As informed to us, the maintenance of Cost Records has been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. We have broadly reviewed the Cost Records maintained by the Company pursuant to the Company's (Cost Records and Audit) Rules, 2014 prescribed by the Central Government and are of the opinion that prima facie the prescribed cost records have been maintained.
7. (a) According to the information and explanations given to us and the records of the company examined by us, the company is regular in depositing undisputed statutory dues including Provident fund, Employee State Insurance, Income tax, sales tax, customs duty, goods and service tax and any other statutory dues as applicable with appropriate authorities. There were arrears of outstanding statutory dues as on last day of the financial year concerned for a period of more than six months from the date on which they become payable.
- (b) According to the information and explanation given to us, the following dues of the service tax, customs duty, excise duty, value added tax, GST, Central sales tax, Cess and other statutory dues which have not been deposited with appropriate authorities on account of any dispute.



Name of the Statute	Nature of Dues	Period to which the amount relates	Amount in ₹.	Deposits/ Paid in (₹.)	Forum where the dispute is pending with
CST Act	Sales Tax	2004-05	28,27,172/-	3,53,397/-	CTO, Gajuwaka, Visakhapatnam
CST Act	Sales Tax	2005-06	47,85,829/-	23,92,914/-	STAT, Visakhapatnam
AP VAT Act		2011-12	11,57,334/-	11,57,334/-	
AP VAT	Sales Tax	2019-20	2,74,70,664	42,53,000/-	STAT, Visakhapatnam
AP VAT Act	Sales Tax	2013-14	11,85,189/-	8,24,678/-	STAT, Visakhapatnam
AP VAT Act	Sales Tax	2012-13	23,21,766/-	10,63,250/-	ADC APPEAL, Vijayawada
AP VAT Act	Sales Tax	2013-14	1,18,549/-	59,259/-	STAT, Visakhapatnam
AP VAT Act	Sales Tax	2014-15	8,68,360/-	37,09,169/-	Appellate Deputy Commissioner, Visakhapatnam
CST Act	Sales Tax	2013-14	8,16,219/-	NIL	Appellate Deputy Commissioner (CT), Vijayawada
AP VAT Act	Sales tax	2014-15	51,856/-	3,37,690/-	Appellate Deputy Commissioner (CT), Vijayawada
AP VAT ACT	Sales tax	2012-13	13,94,858/-	3,48,715/-	Hon'ble High Court of Telangana & AP
AP VAT ACT	Sales tax	2015-16	31,41,694/-	7,85,424/-	Hon'ble High Court of Telangana & AP
AP VAT ACT	Sales tax	2016-17	82,70,573/-	20,67,643/-	Hon'ble High Court of Telangana & AP
AP VAT ACT	Sales tax	2017-18	13,19,062/-	3,29,765/-	Appellate Deputy Commissioner (CT), Vijayawada
AP VAT ACT	Sales tax	2014-15	57,375/-	57375/-	STAT, Visakhapatnam
AP VAT ACT	Sales tax	2015-16	2,63,227/-	1,31,614/-	Appellate Deputy Commissioner (CT), Vijayawada
AP VAT ACT	Sales tax	2016-17	5,17,834/-	2,58,917	Appellate Deputy Commissioner (CT), Vijayawada
AP VAT ACT	Sales tax	2015-16	1,76,43,584/-	88,21,792	Appellate Deputy Commissioner (CT), Vijayawada
AP VAT ACT	Sales tax	2015-16	44,10,896/-	NIL	Appellate Deputy Commissioner (CT), Vijayawada
Customs Act	Customs Duty	2003-04	54,35,648/-	NIL	Hon'ble High Court of Telangana & AP
Customs Act	Customs Duty	2012-13	67,38,452/-	NIL	CESTAT, Bangalore
Customs Act	Customs Duty	2012-13	37,66,062/-	NIL	Commissioner (Appeals), Visakhapatnam.
Central Excise Act,	Excise Duty	2007-08	86,30,228/-	10,00,000/-	CESTAT, Bangalore
		2008-09	1,91,708/-	NIL	
Central Excise Act	Excise Duty	2009-10			Commissioner of Central Excise, Visakhapatnam
		2010-11 & 2011-12	61,18,776/-	50,00,000/-	
		2009-10	3,893/-	NIL	
Central Excise Act	Excise Duty	2010-11	14,35,189/-	NIL	Hon'ble High Court of Telangana & AP
Central Excise Act	Excise Duty	2014-15	6,32,86,487/-	3,46,13,208/-	Commissioner of Central Excise, Visakhapatnam.

Name of the Statute	Nature of Dues	Period to which the amount relates	Amount in ₹.	Deposits/ Paid in (₹.)	Forum where the dispute is pending with
Customs Act	Customs duty	2012-13	2,18,06,647/-	NIL	Hon'ble Customs, Central Excise & Service Tax - Appellate Tribunal, Telangana
Excise Act	Excise duty	2012-13	7,73,767/-	NIL	Assistant Commissioner of Customs & Central Excise, Visakhapatnam
Excise Act	Excise duty	2014-15 to 2017-18	87,30,013/-	NIL	Commissioner of Central Tax & Customs, (Appeals), Guntur
Excise Act	Excise duty	2015-16	6,90,69,600/-	5,27,20,200/-	Principle Commissioner of Central Excise, Visakhapatnam
Service Tax Act	Service Tax	2013-14 to 2016-17	17,98,12,034/-	1,34,81,800/-	Commissioner of Central tax, Visakhapatnam
Service Tax Act	Service tax	2016-17	1,22,63,893/-	Nil	Additional Commissioner of central Tax, Visakhapatnam
Service Tax Act	Service tax	2017-18	18,76,843/-	Nil	Additional Commissioner of central tax, Visakhapatnam
Service Tax Act	Service tax	2016-17	49,62,263/-	Nil	Commissioner of central tax, Visakhapatnam
Service Tax Act	Service tax	2016-17	52,25,963/-	Nil	Principle Commissioner of central Tax, Visakhapatnam
GST Act	GST	2017-18	69,21,076/-	NIL	Deputy Commissioner of central Tax, Rajamahendravaram
GST Act	GST	2017-18	20,20,429/-	NIL	Deputy Commissioner of central Tax, Visakhapatnam

8. According to the records of the company examined by us, the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to any financial institutions or banks as on at the balance sheet date.
9. According to the information and explanations given by the management, the company has raised money by way of further public offer for debt instruments and the same is utilized for the purpose for which it has been obtained .
10. According to the information and explanations given by the management to us, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of audit.
11. According to the information and explanations to us and based on our examination of the records of the company, the company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
12. In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable
13. According to the information and explanations to us and based on our examination of the records of the company transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations to us and based on our examination of the records of the company, the company has made preferential allotment of shares during the year and has been utilized for the purpose it has been obtained



15. According to the information and explanations to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order are not applicable.
16. In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, paragraph 3 (xvi) of the Order are not applicable.

**For BHAVANI &Co.
Chartered Accountants
Firm Reg. No:012139S**

**Place :Visakhapatnam
Date : 28.05.2021**

**(CA S KAVITHA PADMINI)
PARTNER
M.No : 229966
UDIN : 21229966AAAACU2937**

**BALANCE SHEET AS AT 31ST MARCH, 2021**

PARTICULARS	Note No.	As at 31.03.2021 Amount ₹	As at 31.03.2020 Amount ₹
I. ASSETS			
Non-current assets			
a) Property, Plant and Equipment	3.1	6,118,296,289	6,656,338,087
b) Capital work-in-progress		64,762,761	44,496,533
c) Other non-current assets	3.2	466,685,872	193,179,551
Total non-current assets		6,649,744,922	6,894,014,170
Current assets			
a) Inventories	3.3	1,937,413,857	5,771,237,357
b) Financial assets			
i) Trade receivables	3.4	550,453,801	379,922,449
ii) Cash and cash equivalents	3.5.1	20,704,194	255,591,359
iii) Other bank balances	3.5.2	26,786,332	8,216,583
iv) Other financial assets	3.6	344,258,562	357,885,387
c) Other current assets	3.7	199,583,433	204,663,808
		3,079,200,178	6,977,516,943
Assets Classified as held for sale	3.8	162,173,048	-
Total current assets		3,241,373,227	6,977,516,943
Total assets		9,891,118,149	13,871,531,113
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	3.9	803,888,710	759,848,120
b) Other equity	3.10	2,220,393,737	795,155,715
Total equity		3,024,282,447	1,555,003,835
Liabilities			
Non-current Liabilities			
a) Financial Liabilities			
i) Borrowings	3.11	4,129,919,021	1,032,300,000
ii) Other financial liabilities	3.12	186,087,500	186,087,500
b) Deferred tax liabilities (net)	3.13	314,441,044	287,910,371
c) Provisions	3.14	15,050,077	17,265,059
Total non-current Liabilities		4,645,497,642	1,523,562,930
Current liabilities			
a) Financial Liabilities			
i) Borrowings	3.15	-	7,389,496,866
ii) Trade payables	3.16	948,619,053	1,089,300,043
iii) Other financial liabilities	3.17	526,029,804	2,006,710,616
b) Other current liabilities	3.18	696,302,923	306,257,853
c) Provisions	3.19	386,281	1,198,971
		2,171,338,060	10,792,964,349
Liabilities directly associated with assets classified as held for sale	3.8	50,000,000	-
Total current liabilities		2,221,338,060	10,792,964,349
Total equity and liabilities		9,891,118,149	13,871,531,113

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

For **BHAVANI & CO**

Chartered Accountants

Firm Reg. No:012139S

CA S Kavitha Padmini

Partner

M.No. : 229966

UDIN : 21229966AAAACU2937

Place: Visakhapatnam

Date : 28.05.2021

for and on behalf of the Board of Directors

B. SATISH KUMAR

Chairman-cum-Managing Director

DIN : 00163676

B. SURESH KUMAR

Jt. Managing Director

DIN : 00206473

B. RAMESH KUMAR

Jt. Managing Director-cum-Chief Financial Officer

DIN : 00206293

M. RAVEENDRA BABU

Company Secretary

M. No. : A34409



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

PARTICULARS		Note No.	Year Ended 31.03.2021 Amount ₹	Year Ended 31.03.2020 Amount ₹
I	Revenue from operations	3.20	8,984,144,297	7,808,194,459
II	Other Income	3.21	236,333,600	106,020,517
III	Total Income (I+II)		9,220,477,897	7,914,214,976
IV	Expenses :			
	Cost of materials consumed	3.22	5,722,136,792	4,970,563,714
	Purchase of Traded goods	3.23	1,419,225,552	847,076,013
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	3.24	(93,975,976)	300,210,485
	Employee benefit expenses	3.25	259,218,820	264,455,854
	Finance costs	3.26	262,420,521	34,706,167
	Depreciation	3.1	246,985,099	272,365,544
	Impairment allowance for doubtful debts and other receivables		(123,191,780)	(45,467,541)
	Other expenses	3.27	639,931,779	763,746,428
	Total Expenses (IV)		8,332,750,805	7,407,656,664
V	Profit/(loss) before exceptional items and tax (III-IV)		887,727,091	506,558,313
VI	Add: Exceptional Items	3.28	538,600,790	(114,859,588)
VII	Profit/(loss) before tax (V-VI)		1,426,327,881	391,698,725
VIII	Tax expense:			
	(1) Current Tax		-	-
	(2) Deferred Tax	3.29	26,530,673	(251,251,111)
	(3) Tax expense of Prior Years/(Excess provision written Back)		76,480	-
IX	Profit/(Loss) for the year (VII-VIII)		1,399,720,728	642,949,836
	Other comprehensive income (OCI)			
	A) (i) Items that will not be reclassified to profit or loss	3.35.1(E)	1,808,367	(1,897,756)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(564,211)	592,100
X	Total Other comprehensive income for the Year (Net of Tax)		1,244,156	(1,305,656)
XI	Total comprehensive income/(Loss) for the Year (IX+X)		1,400,964,885	641,644,180
XII	Earnings per equity share:			
	(1) Basic	3.35.4	18.27	8.44
	(2) Diluted		18.27	8.44

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

For **BHAVANI & CO**

Chartered Accountants

Firm Reg. No:012139S

CA S Kavitha Padmini

Partner

M.No. : 229966

UDIN : 21229966AAAACU2937

Place: Visakhapatnam

Date : 28.05.2021

for and on behalf of the Board of Directors

B. SATISH KUMAR

Chairman-cum-Managing Director

DIN : 00163676

B. SURESH KUMAR

Jt. Managing Director

DIN : 00206473

B.RAMESH KUMAR

Jt. Managing Director-cum-Chief Financial Officer

DIN : 00206293

M.RAVEENDRA BABU

Company Secretary

M. No. : A34409



Statement of changes in Equity for the year ended 31st March, 2021

a) Equity share capital

Balance at the beginning of the reporting period i.e. April 1, 2019	Note No.	Amount ₹.
		759,848,120
Changes in Equity Share Capital during the year 2019-20	3-9	-
Balance at the end of the reporting period i.e. March 31, 2020		759,848,120
Changes in Equity Share Capital during the year 2020-21		44,040,590
Balance at the end of the reporting period i.e. March 31, 2021	3-9	803,888,710

b) Other equity

Particulars	Reserves and surplus							Other comprehensive income	Total equity attributable to equity holders of the Company			
	Securities premium Reserve	Retained earnings	Capital Reserve	Revaluation Reserve	Amalgamation Reserve	Capital Redemption Reserve	Subsidiary Reserve			General Reserve	Investment Allowance Reserve	Other items of other comprehensive income
Balance at the beginning of the reporting period i.e. April 1, 2019	897,823,960	(5,670,364,839)	1,795,077,280	2,313,846,334	753,922,917	5,504,000	1,500,000	56,500,000	1,720,306	(2,018,423)	153,511,535	
a) Profit for the year		642,949,836									642,949,836	
b) Total comprehensive income for the year											(1,305,656)	
Balance at the end of the reporting period i.e. March 31, 2020	897,823,960	(5,027,415,003)	1,795,077,280	2,313,846,334	753,922,917	5,504,000	1,500,000	56,500,000	1,720,306	(3,324,079)	795,155,715	
a) Profit for the year											1,399,720,728	
b) Total comprehensive income for the year											1,244,156	
c) Additions	127,717,710											
d) Deletions				103,444,573								
Balance at the end of the reporting period i.e. March 31, 2021	1,025,541,670	(3,627,694,275)	1,795,077,280	2,210,401,761	753,922,917	5,504,000	1,500,000	56,500,000	1,720,306	(2,079,923)	2,220,393,737	

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date
For **BHAVANI & CO**

Chartered Accountants
Firm Reg. No:012139S

CA S Kavitha Padmini
Partner

M.No. : 229966

UDIN : 21229966AAAACU2937

Place: Visakhapatnam

Date : 28.05.2021

for and on behalf of the Board of Directors

B. SATISH KUMAR

Chairman-cum-Managing Director
DIN : 00163676

B. RAMESH KUMAR

Jt. Managing Director-cum-Chief Financial Officer
DIN : 00206293

B. SURESH KUMAR

Jt. Managing Director
DIN : 00206473

M. RAVEENDRA BABU

Company Secretary
M. No. : A34409

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2021**

Particulars	Year Ended 31.03.2021 Amount (₹)	Year Ended 31.03.2020 Amount (₹)
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/(Loss) before tax after exceptional itmes as per the statement of profit and loss for the year	1,426,327,881	391,698,725
Adjustment for non cash/ non operational expenses:		
a) Depreciation and impairment of property,plant and equipment	246,985,099	272,365,544
b) Bad debts written off	98,651,595	185,961,655
c) Advances written off	81,574,605	-
d) Depletion/Erosion of Inventory	3,978,028,097	-
e) Gain on extinguishment of liability on account of One Time Settlement (OTS)	(4,696,855,087)	-
f) Finance costs recognised in profit or loss	262,420,521	34,706,167
g) Loss/ (gain) on disposal of property,plant and equipment	(123,535,585)	977,276
Operating profit before working capital changes	1,273,597,126	885,709,367
Adjustments for working capital changes:		
a) Decrease/(Increase) in Trade Receivables	(269,182,948)	(42,213,685)
b) Decrease/(Increase) in Inventories	(144,204,597)	156,623,110
c) (Increase)/Decrease in Other non Current Assets	(292,076,070)	29,039,232
d) (Increase)/Decrease in Other Financial Assets	(67,947,779)	57,024,690
e) (Increase)/Decrease in Other Current Assets	4,516,164	7,337,385
f) Increase/ (Decrease) in Trade Payables	(140,680,989)	(268,981,774)
g) Increase/ (Decrease) in Other financial liabilities	(9,757,596)	(231,354,910)
h) Increase/ (Decrease) in Other current liabilities	439,232,384	(229,914,665)
i) Increase/ (Decrease) in Other non current liabilities	(406,615)	3,288,598
Cash generated from operations	793,089,079	366,557,349
Less: Income taxes paid	76,480	-
Net Cash Flow from operating activities	793,012,599	366,557,349
B. CASH FLOW FROM INVESTING ACTIVITIES:		
a) Payments for property, plant and equipment	(18,940,728)	(23,740,949)
b) Proceeds from disposal of property, plant and equipment	167,915,390	1,113,065
c) Realisation of mutual funds	-	3,093,439
d) (Increase)/Decrease in Capital Work in Progress	(20,266,232)	523,201
Net Cash Flow from investing activities	128,708,431	(19,011,244)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
a) Proceeds from Issue of Non Convertible Debentures	3,509,919,021	-
b) Repayment of borrowings	(4,895,864,995)	(64,737,187)
c) Increase/(Decrease) in Unsecured Loans	320,000,000	(1,531,186)
d) Payment of Finance costs	(262,420,521)	(34,706,167)
e) Proceeds from Issue of Equity Shares	44,040,590	-
f) Proceeds from Security Premium Reserve	127,717,710	-
Net Cash Flow from financing activities	(1,156,608,195)	(100,974,540)
Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)	(234,887,165)	246,571,566
Cash and cash equivalents at the beginning of the year	255,591,359	9,019,794
Cash and cash equivalents at the end of the year	20,704,194	255,591,359

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

For **BHAVANI & CO**

Chartered Accountants

Firm Reg. No:012139S

CA S Kavitha Padmini

Partner

M.No. : 229966

UDIN : 21229966AAAACU2937

Place: Visakhapatnam

Date : 28.05.2021

for and on behalf of the Board of Directors

B. SATISH KUMAR

Chairman-cum-Managing Director

DIN : 00163676

B. SURESH KUMAR

Jt. Managing Director

DIN : 00206473

B.RAMESH KUMAR

Jt. Managing Director-cum-Chief Financial Officer

DIN : 00206293

M.RAVEENDRA BABU

Company Secretary

M. No. : A34409

Significant Accounting Policies and Notes to Financial Statements

1. Corporate information

Steel Exchange India Limited was incorporated on 24th February 1999. The activities of the company are manufacture of steel products, trading of related products and generation and sale of Power.

The Company is a Public Limited Company incorporated and domiciled in India and has its registered office at Hyderabad, Telangana, India. The company has its listing on the BSE and NSE Limited.

2. Significant accounting policies

2.1 Basis of preparation and Presentation

(a) Basis of measurement

The Financial Statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(c) Functional and presentation currency

The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest rupee except otherwise stated.

(d) Use of estimates and judgement

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.2 Summary of significant accounting policies

2.2.1 Fair value measurement

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 under current market conditions.

2.2.2 Investments in subsidiaries, associates and joint ventures

The Company records the investments in subsidiaries, associates and joint ventures at cost less impairment loss, if any.

2.2.3 Financial Instruments

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognized on trade date. While, loans and borrowings and payable are recognized net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following

categories: non-derivative financial assets comprising amortized cost; non derivative financial liabilities at amortized cost.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

Financial instrument is derecognized only when the Company has transferred its right to receive/ extinguish its obligation to pay cash flow from such financial instruments.

(a) Non-derivative financial assets

Financial assets at amortized cost

A financial asset shall be measured at amortized cost if both of the following conditions are met:

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

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Amortized cost is represented by security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system.

Financial assets at fair value through profit or loss

Fair value through profit or loss is represented by investments in mutual funds.

(b) Non-derivative financial liabilities

Financial liabilities at amortized cost

- Financial liabilities at amortized cost represented by trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

2.2.4 Property, Plant and Equipment:

Recognition and measurement: Normally Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as per the schedule II of the Companies Act.2013. Leasehold improvements are written off over the lower of the remaining primary period of lease or the life of the asset. The useful life of the assets adopted by the company is as per schedule II of the Companies Act, 2013 as follows:

Building	60 years
Factory Buildings	30 years
Plant and Machinery and Others	15 years
Plant and Machinery (Power Generation)	40 years
Plant and Machinery (Rolling Mill)	20 years

Office equipment	05 years
Computer equipment	03 years
Furniture and Fixtures	10 years
Electrical Installations	10 years
Vehicles (Other than two wheelers)	08 years
Vehicles	10 years
Roads (carpeted-other than RCC)	05 years
Roads (Non-carpeted)	03 years

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets.

Subsequent expenditure relating to Property, Plant and Equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Repairs & maintenance costs are recognized in the statement of Profit & Loss when incurred.

Upon sale or retirement of assets, the Cost and related accumulated depreciation are eliminated from the financial statements and the resultant gain or losses are recognized in the Statement of Profit and Loss.

2.2.5 Capital work-in progress:

The items of property, plant and equipment which are not yet ready for use are disclosed as capital work in progress and carried at historical cost.

2.2.6 Leases:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases.

Where the Company is the lessee

"Effective April 1, 2019, Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise right-of-use assets and lease liabilities for all lease with a term of more than twelve months, unless the underlying asset is of a low value.

As the company is engaged in short term lease contracts, new INDAS 116 has not been adopted.

Where the Company is the Lessor

Assets subject to operating Leases are included in fixed assets. Lease income is recognized in the Statement of profit and loss. Costs including depreciation are recognized as an expense in the Statement of profit and loss.

2.2.7 Inventory:

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined by First in First out (FIFO) method.

2.2.8 Impairment:

(a) Financial Assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss.

(i) The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- (ii) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- (iii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(b) Non-financial assets

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.2.9 Employee benefits:

(a) Gratuity & Provident Fund:

- (i) Gratuity payable to eligible employees is administered by a separate Trust. Payments to the trust towards contributions and other demands are made on the basis of actuarial valuation.

The Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The Company recognizes the net obligation of the defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effects of any plan amendments are recognized in net profit in the Statement of Profit and Loss.

- (ii) Fixed contributions to Provident Fund are recognized in the accounts at actual cost to the Company.

(b) Other Benefits:

Other employee benefits are estimated and accounted as per the company's policy and the terms of the employment contract

2.2.10 Provisions:

All the provisions are recognized as per Ind AS 37. Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.2.11 Revenue recognition:

The Company derives revenues primarily from business of Iron & Steel and power.

Effective April 1, 2018, the Company adopted "Ind AS 115, Revenue from Contracts with Customers", using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and / or revised significant accounting policies related to revenue recognition.

Revenue is recognized upon transfer of control of promised goods or services to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. Revenue is measured net of returns, trade discounts and volume rebates. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales agreement.

An Entity's right to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditioned on something other than passage of time is treated as contract asset.

An entity's obligation to transfer goods or service to a customer for which the entity has received consideration (or the amount is due) from the customer is treated as contract liability.

The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on performance obligation that corresponds to the progress by the customer towards earning the discount / incentive. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then the discount is not recognized until the payment is probable and the amount can be estimated reliably. The Company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the goods/services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Goods/ services added that are not distinct are accounted for on a cumulative catch-up basis, while those

that are distinct are accounted for prospectively, either as a separate contract, if the additional Goods/ services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

Disaggregate revenue information

Revenue from Operations presents disaggregated revenues from contracts with customers for the year ended March 31, 2021 by type of goods or services. Refer table in note no.3.20

The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Trade receivables and contract balances

The Company classifies the right to consideration in exchange for deliverables as a receivable.

A receivable is a right to consideration that is unconditional upon passage of time.

Revenue for time-and-material contracts are recognized as related control in goods is transferred and services are performed.

Trade receivable is presented net of impairment in the Balance Sheet.

During the year ended March 31, 2021, the Company recognized revenue of Rs.15.98 crore arising from opening unearned revenue as of April 1, 2020.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material basis.

Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, and adjustment for revenue that has not materialized and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2021, other than those meeting the exclusion criteria mentioned above, is Rs.44.55 crore. Out of this, the Company expects to recognize revenue of around 98% within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment; the occurrence of the same is expected to be remote.

The impact on account of applying the erstwhile Ind AS 18, Revenue instead of Ind AS 115, Revenue from Contracts with Customers on the financials results of the Company for the year ended and as at March 31, 2021 is insignificant.

2.2.12 Finance income and expense

- Finance income consists of interest income on deposits, Lease rental income, un realized gain on mutual fund and other miscellaneous income. Interest income is recognized as it accrues in the statement of profit and loss.
- Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the statement of profit and loss.
- Foreign currency gains and losses are reported on a net basis.

2.2.13 Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and

loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

(a) Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

Section 115 BAA of the Income Tax Act 1961, introduced by Taxation Laws (Amendment) Ordinance, 2019 gives a one-time irreversible option to Domestic Companies for payment of corporate tax at reduced rates. In view of the unabsorbed depreciation and MAT Credits, the Company has determined that it will continue to recognize tax expense at the existing income tax rate as applicable to the Company.

(b) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

2.2.14 Earnings per share

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

2.2.15 Foreign Currency Transactions:

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are reported at the exchange rate prevailing on the balance sheet date. Exchange differences relating to long term monetary items, arising during the year, as so far as they relate to the acquisition of the depreciable capital asset is dealt with in the profit and loss statements.

2.2.16 Borrowing costs

Borrowings costs directly attributable to acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which it occurs.

Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

Note-3.1: Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the period ended March 31, 2021 are as follows:

	Freehold Land and Roads	Freehold Buildings	Machinery	Electricals	Equipments	Furniture & Fixtures	Vehicles	Roads	Railway Sidings	Total
Gross carrying value as on April 1, 2019	2,002,855,000	2,257,165,783	5,783,005,492	491,017,408	41,109,857	17,584,251	75,634,484	126,515,042	67,562,743	10,702,451,263
Additions	-	387,792	22,912,644	194,915	180,162	54,436	-	-	-	23,740,949
Deletions	-	-	-	-	-	-	4,874,258	-	-	4,874,258
Gross carrying value as on March 31, 2020	2,002,855,000	2,257,553,575	5,725,918,136	491,212,323	41,289,918	17,644,687	70,760,226	126,515,042	67,562,743	10,801,317,954
Accumulated depreciation as on April 1, 2019	-	523,995,604	2,710,761,193	340,815,166	46,623,203	15,444,724	62,441,601	121,135,145	64,184,605	3,865,398,240
Depreciation	-	71,432,756	142,088,547	55,850,364	818,178	524,754	1,626,945	-	-	272,365,544
Accumulated depreciation on deletions	-	-	-	-	-	-	2,783,917	-	-	2,783,917
Accumulated depreciation as on March 31, 2020	-	595,448,359	2,852,849,741	396,671,531	47,441,381	15,964,478	61,284,628	121,135,145	64,184,605	4,144,979,887
Gross carrying value as on April 1, 2020	2,002,855,000	2,257,553,575	5,725,918,136	491,212,323	41,289,918	17,644,687	70,760,226	126,515,042	67,562,743	10,801,317,954
Additions	-	159,322	17,734,801	-	890,361	130,644	25,000	-	-	18,940,728
Deletions	80,100,000	52,466,060	80,416,099	-	-	-	9,472,357	-	-	222,454,516
Reclassified as held for sale	(142,090,000)	(26,675,410)	-	-	-	-	-	-	-	(170,765,410)
Gross carrying value as on March 31, 2021	1,780,665,000	2,176,581,427	5,663,236,838	491,212,323	42,180,279	17,774,331	61,312,869	126,515,042	67,562,743	10,437,638,756
Accumulated depreciation as on April 1, 2020	-	595,448,359	2,852,849,741	396,671,531	47,441,381	15,964,478	61,284,628	121,135,145	64,184,605	4,144,979,887
Depreciation	-	70,783,131	137,880,632	36,239,801	2,363,378	864,633	1,361,817	-	-	249,534,892
Accumulated depreciation on deletions	-	17,463,028	49,545,052	-	-	-	7,682,059	-	-	74,630,138
Eliminated on reclassification as held for sale	-	(8,582,362)	-	-	-	-	-	-	-	(8,582,362)
Impairment losses recognised in profit or loss	-	(847,929)	(114,265)	(411,963)	(654,196)	(218,989)	(102,402)	-	-	(2,549,793)
Accumulated depreciation as on March 31, 2021	-	639,388,473	2,941,071,035	432,496,349	48,971,063	16,614,112	54,881,984	121,135,145	64,184,605	4,318,742,466
Carrying value as on March 31, 2021	1,780,665,000	1,637,165,254	2,722,165,803	58,716,974	3,209,117	1,151,219	6,430,885	5,379,897	3,378,138	6,118,296,289
Carrying value as on March 31, 2020	2,002,855,000	1,662,115,216	2,873,068,396	94,540,792	3,947,637	1,677,209	9,475,598	5,379,897	3,378,138	6,686,338,087



	Amount ₹. As at 31/03/2021	Amount ₹. As at 31/03/2020
Note-3.2: OTHER NON-CURRENT ASSETS		
(Unsecured and Considered Good)		
Capital Advances	2,882,939	6,902,993
Security Deposits	68,662,936	61,081,165
Other Receivables	75,421,059	1,312,789
Indirect Tax Balances	136,861,795	118,879,229
Deferred Revenue expenditure	182,857,143	5,003,375
	466,685,872	193,179,551
Note-3.3: INVENTORIES		
Raw Material	1,539,373,641	3,760,487,977
Finished Goods	287,956,220	1,888,550,593
Consumables	76,678,502	78,414,333
Stores & Spares	33,405,494	43,784,454
	1,937,413,857	5,771,237,357
Disclosure:		
The Company has written down value of inventories amounting to ₹ 397,80,28,097 due to depletion/erosion.		
The above inventories includes ₹. 144,77,23,536 (₹.461,16,89,219) which are expected to be consumed/recovered beyond a period of 12 months.		
Note-3.4: TRADE RECEIVABLES		
Trade receivables outstanding for a period exceeding six months from the due date of payment	212,514,837	378,733,462
Other trade receivables	472,606,288	259,048,092
	685,121,125	637,781,554
Less: Provision for bad & doubtful receivables	134,667,325	257,859,105
Total:	550,453,801	379,922,449
Break-up security details:		
i) Secured, considered good	-	-
i) Unsecured considered good	550,453,801	379,922,449
ii) Doubtful	134,667,325	257,859,105
Disclosure:		
Includes dues from companies where directors are interested	Nil	Nil
Note-3.5: CASH AND CASH EQUIVALENTS		
(1) Cash and Cash Equivalents		
a) Balances with banks - In Current Accounts	19,894,897	255,110,931
b) Cash on Hand	809,297	480,428
	20,704,194	255,591,359
(2). Other Bank Balances		
a) In deposit accounts - Held as Margin Money	26,786,332	8,216,583
	26,786,332	8,216,583
	47,490,526	263,807,942



Amount ₹.
As at 31/03/2021

Amount ₹.
As at 31/03/2020

Disclosures:

Cash and Cash equivalents as of March 31, 2021 and March 31, 2020 includes restricted cash balances of ₹.2,67,86,332 and ₹.82,16,583 respectively. The restriction is primarily on account of Cash and Bank balances held as margin money deposits against Letter of Credits and Bank guarantees sanctioned by banks. Balances with banks in current accounts also includes a sum of Rs. Nil, (₹ 22,00,00,000) paid into no-lien account as part of the OTS offer made to the Lenders as on March 31, 2021 and March 31, 2020 respectively.

Cash and Cash Equivalents includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time without prior notice or penalty on the principal.

Note-3.6: OTHER FINANCIAL ASSETS

Advances For Purchases & Works	244,523,668	322,981,604
Advance for expenses	18,624,962	12,151,827
Other Advances*	22,672,946	22,751,955
Other Receivables**	58,436,986	-
	344,258,562	357,885,387

Disclosure:

* Includes dues from companies where directors are interested - 194,792

** Other receivables includes amount due from party against sale of asset.

Note-3.7: OTHER CURRENT ASSETS

Advance Tax and Tax Deducted at Source	5,065,898	13,077,672
MAT Credit Entitlement	153,973,013	153,973,013
State Govt incentives receivable (Sales Tax)	36,640,152	36,640,152
Prepaid Expenses	3,904,370	972,971
	199,583,433	204,663,808

Disclosures:

The Company has made provision for tax in the earlier years on basis of provision U/s. 115JB of the Income Tax Act, 1961. The same is taken into books as it can be adjusted against tax normal tax liability during the specified period. In accordance with the guidance note issued by ICAI, the company will review the same at each balance sheet date and write down the carrying amount of MAT Credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income tax during the specified period.



	Amount ₹. As at 31/03/2021	Amount ₹. As at 31/03/2020
Note-3.8: ASSETS CLASSIFIED AS HELD FOR SALE		
Land	142,090,000	
Building	20,083,048	
	162,173,048	-
LIABILITIES ASSOCIATED WITH ASSETS HELD FOR SALE		
	50,000,000	-
	50,000,000	-

Disclosures:

The Company intends to dispose off land and building of wire drawing unit. No impairment loss has been recognised on reclassification of the land and building as held for sale as at March 31, 2021 as the directors of the Company expect that the fair value (estimated based on the recent market prices of similar properties in similar locations) less cost to sell is almost equal to the carrying amount.

	Amount ₹. As at 31/03/2021	Amount ₹. As at 31/03/2018
Note-3.9: SHARE CAPITAL		
Equity share capital		
(i) Authorized		
Equity shares, of ₹.10 par value 25,80,00,000 equity shares	2,580,000,000	2,580,000,000
Preference shares of ₹.10 par value 7,40,00,000 preference shares	740,000,000	740,000,000
	3,320,000,000	3,320,000,000
(ii) Issued , Subscribed and fully paid up		
Equity shares of ₹.10 par value 7,59,84,812 equity shares	759,848,120	759,848,120
Equity shares of ₹.10 par value 44,04,059 equity shares	44,040,590	-
	803,888,710	759,848,120

Rights, Preferences and restrictions attached to Equity Shares:

The Company has only one class of equity shares having a par value of ₹.10 per share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, 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 preferential amounts, in proportion of their shareholding. During the year the Company has allotted 44,04,059 equity shares of the face value of ₹.10/- each at an issue price of ₹.39/- per share (including share premium of ₹.29/- per share) on preferential basis.

Details of shares held by each shareholder holding more than 5% shares:

Name of the Shareholder	As at 31.03.2021	
	No. of Shares	% held
Equity shares with voting rights:-		
i. Umashiv Garments Private Ltd.	20,789,115	25.86
ii. Vizag Profiles Private Limited	5,763,650	7.17
iii. Quality Steel Shopee Private Limited	4,250,000	5.29



	Amount ₹. As at 31/03/2021	Amount ₹. As at 31/03/2020
Note-3.10: OTHER EQUITY		
a) Capital Reserve		
Opening Balance	1,795,077,280	1,795,077,280
Additions during the Year	-	-
Closing Balance (A)	1,795,077,280	1,795,077,280
b) Revaluation Reserve		
Opening Balance	2,313,846,334	2,313,846,334
Addition during the year	-	-
Deletions during the year	103,444,573	-
Closing Balance (B)	2,210,401,761	2,313,846,334
c) Amalgamation Reserve		
Opening Balance	753,922,917	753,922,917
Additions during the Year	-	-
Closing Balance (C)	753,922,917	753,922,917
d) Capital Redemption Reserve		
Opening Balance	5,504,000	5,504,000
Transfer from Statement of Profit & Loss	-	-
Closing Balance (D)	5,504,000	5,504,000
e) Subsidy		
Opening Balance	1,500,000	1,500,000
Additions during the Year	-	-
Closing Balance (E)	1,500,000	1,500,000
f) General Reserve		
Opening Balance	56,500,000	56,500,000
Transferred from Statement of Profit and Loss	-	-
Closing Balance (F)	56,500,000	56,500,000
g) Securities Premium Account		
Opening Balance	897,823,960	897,823,960
Premium on shares issued during the year	127,717,710	-
Closing Balance (G)	1,025,541,670	897,823,960
h) Investment Allowance Reserve		
Opening Balance	1,720,306	1,720,306
Additions during the Year	-	-
Closing Balance (H)	1,720,306	1,720,306
i) Surplus in Statement of Profit and Loss		
Opening Balance	(5,027,415,003)	(5,670,364,839)
Add: Profit for the year	1,399,720,728	642,949,836
Closing Balance (I)	(3,627,694,275)	(5,027,415,003)
Total (a+b+c+d+e+f+g+h+i)	2,222,473,659	798,479,794

	Amount ₹. As at 31/03/2021	Amount ₹. As at 31/03/2020
Other Comprehensive Income		
Opening	(3,324,079)	(2,018,423)
Defined benefit plan-Gratuity fund	1,244,156	(1,305,656)
Total:	(2,079,923)	(3,324,079)
Total Comprehensive Income	2,220,393,737	795,155,715

Note-3.11: BORROWINGS
Non-current:
Secured

- Term Loans from banks	-	732,300,000
- Non Convertible Debentures (NCD's)	3,509,919,021	-

Unsecured

- Term Loans from others	620,000,000	300,000,000
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4,129,919,021	1,032,300,000
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Current:
Secured

- Term Loans from banks	-	1,720,281,887
- Non Convertible Debentures (NCD's)	250,000,000	-

Unsecured

- Vehicle Hire Purchase Loans	123,304	764,634
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250,123,304	1,721,046,521
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4,380,042,325	2,753,346,521
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Disclosure:

Includes dues to companies where directors are interested
(Term Loan from others under unsecured)

420,000,000	100,000,000
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Details of terms of repayment for long-term borrowings and security provided in respect there of:

Nature of Security

3828, 21.5% Listed, rated, redeemable, secured Non-Convertible Debentures (NCDs) of Rs.10,00,000/- each issued during the year as per details given below and the indicative list of the security is as follows:

- (i) Exclusive hypothecation of the present and future current assets of the Company.
- (ii) Exclusive charge on all land assets, manufacturing plants and buildings and other fixed assets of the Company
- (iii) Exclusive charge on any other asset currently mortgaged/hypothecated with the Existing Lenders of the Company
- (iv) 100% Pledge of promoter shares of the Company at all points in time.
- (v) Personal Guarantee of Mr. Bandi Satish Kumar, Mr. Bandi Suresh Kumar and Mr. Bandi Ramesh Kumar.
- (vi) Corporate Guarantee of group companies Vizag Profiles Private Limited and Umashiv Garments Private Limited.



The terms of repayment of term loans are stated below

As at March 31, 2021

Financer	Terms of repayment
Edelweiss Alternative Asset Advisors Ltd outstanding as on 31.03.2021 of ₹.17,87,63,128 (Previous year: ₹..Nil)	1. Repayable in 21 quarterly installments commencing from January, 2021. Last installment due in March 2026. Rate of interest 21.5% p.a. as at year end.
EFL Special Pte Ltd outstanding as on 31.03.2021 of ₹.52,35,20,598 (Previous year: ₹. Nil)	2. Repayable in 21 quarterly installments commencing from January, 2021. Last installment due in March 2026. Rate of interest 21.5% p.a. as at year end.
EISAF II Onshore Fund outstanding as on 31.03.2021 of ₹. 66,59,41,770 (Previous year: ₹.Nil)	3. Repayable in 21 quarterly installments commencing from January, 2021. Last installment due in March 2026. Rate of interest 21.5% p.a. as at year end.
EW India Special Assets Fund II Pte Ltd outstanding as on 31.03.2021 of ₹.186,71,90,715 (Previous year: ₹.Nil)	4. Repayable in 21 quarterly installments commencing from January, 2021. Last installment due in March 2026. Rate of interest 21.5% p.a. as at year end.
EWON Pte Ltd outstanding as on 31.03.2021 of ₹. 52,45,02,810 (Previous year: ₹.Nil)	5. Repayable in 21 quarterly installments commencing from January, 2021. Last installment due in March 2026. Rate of interest 21.5% p.a. as at year end.

Maturity profile for Long term Unsecured Borrowings as on 31st March, 2021

Borrowings	Principal Repayable in		
	1-2 Years	2-3 Years	Above 3 Years
Unsecured Loans	320,000,000	–	300,000,000
Installments falling due in respect of all the above Loans for a period of 12 months have been grouped under “Current maturities of long-term debt” (Refer Note 3.17)			

During the year, 100% of the lenders gave their consent for the Company's proposal for one-time settlement of debt (OTS). Pursuant to the OTS sanctions received by the Company, the Company has repaid the amounts as per the terms of sanctions during the year in full and final settlement. Accordingly, during the year ended 31 March 2021, the Company has written back the balance of the outstanding debt and interest which has been waived off and disclosed it as an 'exceptional item' in the Standalone Statement of Profit and Loss.

The Company has defaulted in the Servicing of debts. The details of continuing defaults as at 31st March 2021 are as follows:

Particulars	Upto 3 months		More than 3 months upto 12 months	
	Principal	Interest	Principal	Interest
State Bank of India	-	-	-	-
	(48,750,000)	-	(205,050,000)	-
Punjab National Bank	-	-	-	-
	(13,750,000)	-	(41,250,000)	-
Karur Vysya Bank Ltd	-	-	-	-
	-	(2,944,778)	-	(11,784,381)
Lakshmi Vilas Bank Ltd	-	-	-	-
	-	(5,550,263)	-	(15,088,660)
Total	-	-	-	-
	(62,500,000)	(8,495,041)	(246,300,000)	(26,873,041)

Particulars	More than 12 months		Total	
	Principal	Interest	Principal	Interest
State Bank of India	-	-	-	-
	(4,287,600,539)	(92,715,130)	(4,541,400,539)	(92,715,130)
Syndicate Bank	-	-	-	-
	(655,020,288)	(303,605,330)	(655,020,288)	(303,605,330)
Punjab National Bank	-	-	-	-
	(434,792,292)	-	(489,792,292)	-
Bank of India	-	-	-	-
	(487,685,955)	(54,612,740)	(487,685,955)	(54,612,740)
Karur Vysya Bank Ltd	-	-	-	-
	(375,144,260)	(329,352,159)	(375,144,260)	(344,081,318)
Lakshmi Vilas Bank Ltd	-	-	-	-
	(210,000,000)	(74,461,050)	(210,000,000)	(95,099,973)
IDBI Bank Ltd	-	-	-	-
	(372,176,632)	(228,397,693)	(372,176,632)	(228,397,693)
Dhanlaxmi Bank Ltd	-	-	-	-
	(183,945,534)	(85,248,337)	(183,945,534)	(85,248,337)
Andhra Bank	-	-	-	-
	(260,519,636)	(178,439,012)	(260,519,636)	(178,439,012)
Canara Bank	-	-	-	-
	(449,126,619)	(195,792,099)	(449,126,619)	(195,792,099)
Total	-	-	-	-
	(7,716,011,755)	(1,542,623,550)	(8,024,811,755)	(1,577,991,632)

**Note-3.12: OTHER FINANCIAL LIABILITIES**

	Amount ₹. As at 31/03/2021	Amount ₹. As at 31/03/2020
Non-current:		
Non-convertible Redeemable Preference Shares	186,087,500	186,087,500
	186,087,500	186,087,500

Disclosures:

1,86,08,750 10.5% Non Convertible Redeemable Preference Share Capital allotted on January 27, 2016, to the shareholders of Simhadri Power Limited consequent to the approval of amalgamation of Simhadri Power Limited with Steel Exchange India Limited effective from 1.4.2013 by the Honourable High Court of Judicature at Hyderabad for the state of Telagana and for the state of Andhra Pradesh. The shares are redeemable on January 26, 2023 at ₹. 10 per share.

These redeemable cumulative preference shares do not contain any equity component and are classified as financial liabilities in their entirety. In addition, the Company has designated these preference shares as financial liabilities at FVTPL as permitted by Ind AS 109. The preference shares have fixed non-discretionary dividend payments and mature on January 26, 2023.

	Amount ₹. As at 31/03/2021	Amount ₹. As at 31/03/2020
Note-3.13: DEFERRED TAX LIABILITY (NET)		
The movement on the deferred tax account is as follows:		
At the start of the year	287,910,371	539,161,482
Charge/(credit) to Statement of Profit and Loss (Refer note:3.29)	26,530,673	(251,251,111)
	314,441,044	287,910,371

Components of Deferred tax liabilities/ (asset):

Deferred tax liabilities/(asset) in relation to:	Opening	Movement	Closing
Property, plant and equipment	859,507,851	(1,187,201)	858,320,650
Financial Assets	338,933	887,386	1,226,319
Provisions	62,753,013	(40,500,697)	22,252,316
Tax Losses/credits	(634,689,426)	67,331,185	(567,358,241)
Total:	287,910,371	26,530,673	314,441,044

Note-3.14: PROVISIONS (NON-CURRENT)**Employee Benefits:**

Provision for Gratuity and others	15,050,077	17,265,059
	15,050,077	17,265,059

Note-3.15: BORROWINGS**Secured**

Working Capital Loan from Banks	-	7,389,496,866
	-	7,389,496,866

Disclosure:

(Secured by hypothecation of raw materials, finished goods and trade receivables and second charge on encumbered and unencumbered property, plant and equipment of the Company).



	Amount ₹. As at 31/03/2021	Amount ₹. As at 31/03/2020
Note-3.16: TRADE PAYABLES		
Current:		
Micro and Small Scale Enterprises	8,611,312	22,907,002
Others (*)	940,007,741	1,066,393,041
	948,619,053	1,089,300,043

Disclosures:

(*) Others includes dues to companies where directors are interested 244,915,000 39,211,989

As at March 31,2021 there are ₹.17,91,727 overdues payable to micro and small enterprises (previous year ₹.2,28,49,952). The interest outstanding is ₹.1,86,977 (Previous year ₹.7,84,427) on the same. (Note: 3.31)

The above information is based on the decalarations received from the Vendors who constitute as Supplier within the meaning of Section 2(n) of the Micro, Small and Medium Enterprises Development Act, 2006.

	Amount ₹. As at 31/03/2019	Amount ₹. As at 31/03/2018
Note-3.17: OTHER FINANCIAL LIABILITIES		
Current maturities of long-term debt (Note:3.11)	250,123,304	1,721,046,521
Payables for Capital goods	9,444,052	10,488,813
Security Deposits	4,469,500	4,212,937
Other Current Liabilities	162,821,486	173,743,476
Payable for Expenses (*)	99,171,462	97,218,870
	526,029,804	2,006,710,616

Disclosures:

(*) Payable for Expenses includes dues to companies where directors are interested - 16,511,103

Note-3.18- OTHER CURRENT LIABILITIES

Statutory remittances	227,800,413	117,218,774
Unearned Revenue	445,489,838	159,785,727
Payables to Employees	21,807,487	28,048,167
Others	1,205,185	1,205,185
	696,302,923	306,257,853

Note-3.19: PROVISIONS (CURRENT)**Employee Benefits:**

Provision for Gratuity and others	386,281	1,198,971
	386,281	1,198,971



	Amount ₹. Year Ended 31/03/2021	Amount ₹. Year Ended 31/03/2020
Note-3.20: REVENUE FROM OPERATIONS		
Sale of Products	7,275,949,980	6,675,885,725
Sale of Energy	102,988,424	290,473,803
Sale of Traded Goods	1,621,397,804	872,039,149
Discount	(16,191,911)	(34,124,338)
Operating revenue	8,984,144,297	7,804,274,339
Other Operating revenue		
Sales Incentives	-	3,920,120
	8,984,144,297	7,808,194,459
Disaggregation of Revenue:		
Finished Goods Sold		
Rebar & Wires	5,419,419,155	4,940,415,366
Billets & Ingots	1,284,015,386	1,420,730,404
Sponge iron	3,813,804	2,068,344
Steel Scrap & Structural	30,611,778	12,688,735
Coal & Coal fines	1,915,140	364,121
Iron Ore & Iron Ore Fines	440,776,634	236,733,742
Mill Scale and Others	79,206,172	28,760,676
	7,259,758,069	6,641,761,387
Energy		
Power	102,988,424	290,473,803
	102,988,424	290,473,803
Trading Goods Sold		
Rebar, Wire & Wire Rod Coils	1,564,165,847	724,283,727
Billets & Ingots	22,211,880	10,774,225
Pig Iron & Scrap	-	713,543
Structurals & Others	-	61,155,414
Gas Sales	35,020,077	75,112,240
	1,621,397,804	872,039,149
Note-3.21: OTHER INCOME		
a) Interest income:		
Bank margin money and others	21,728,055	2,048,021
b) Other non-operating income:		
Lease Rental Income	8,140,284	7,421,244
c) Other gains and loss:		
a) Net gain on disposal of property, plant and equipment	123,535,585	935
b) Net foreign exchange gains	4,070,392	



	Amount ₹. Year Ended 31/03/2021	Amount ₹. Year Ended 31/03/2020
d) Other receipts		
a) Other receipts	25,134,460	23,894,271
b) Reversal of GST Interest	-	72,656,046
c) Insurance claim on HudHud	53,724,824	
	236,333,600	106,020,517

Note-3.22: COST OF MATERIAL CONSUMED

Opening Balance	3,760,487,977	3,569,990,298
Purchases	5,784,480,204	5,161,061,393
	9,544,968,181	8,731,051,690
Less: Closing Stock (**)	1,539,373,641	3,760,487,977
Less: Inventory written down (depletion/erosion)	(2,283,457,748)	-
Cost of Materials Consumed (#)	5,722,136,792	4,970,563,714

Details of Materials Consumed

Sponge Iron	-	32,672,875
Scrap	859,821,276	698,079,243
Pig Iron	68,099,420	477,507,360
Coal /Coal fines	1,567,119,154	1,696,618,315
Iron ore/Iron ore fines	1,919,034,616	1,417,863,091
Ferro Shots	612,727,711	250,699,958
Lime Stone	15,886,278	287,678
Pellets	131,004,815	198,356,672
Pooled Iron	523,756,034	152,982,327
Billet	10,561,567	4,370,583
Others	14,125,919	41,125,611
	5,722,136,792	4,970,563,714

**** Details of Closing Stock of Raw Materials:**

Scrap	1,121,645,108	699,370,796
Iron Ore & Iron ore fines	85,808,503	27,509,101
Coal/Coal fines	180,221,967	2,886,427,902
Pig Iron	68,035,867	69,090,891
Iron Ore (Acce)	62,612,674	62,612,674
Lime Stone	346,040	488,906
Others	3,314,834	3,481,169
Pellets	1,165,984	654,388
Billet	14,524,968	10,852,150
Pooled Iron	1,697,696	-
	1,539,373,641	3,760,487,977



	Amount ₹. Year Ended 31/03/2021	Amount ₹. Year Ended 31/03/2020
Note-3.23: PURCHASE OF TRADED GOODS		
Rebar, Wire & Wire Rod Coils	1,378,203,148	727,813,523
Billets,Blooms & ingots	22,044,038	10,499,972
Structurals	-	59,832,726
Gas	18,978,366	48,929,791
	1,419,225,552	847,076,013
Note-3.24: CHANGES IN INVENTORIES OF FINISHED GOODS AND TRADED GOODS:		
Inventories (at Close)		
Finished Goods	282,472,600	1,180,894,351
Traded Goods	5,483,620	707,656,242
	287,956,220	1,888,550,593
Inventories (at commencement)		
Finished Goods	1,180,894,351	1,492,224,441
Traded Goods	707,656,242	696,536,637
Less: Inventory written down (depletion/erosion)	(1,694,570,349)	-
	193,980,244	2,188,761,078
(Increase)/Decrease in Stock (A-B)	(93,975,976)	300,210,485

Details of inventory	Amount in ₹. Year Ended 31/03/2021		Amount in ₹. Year Ended 31/03/2020	
	Manufacturing	Trading	Manufacturing	Trading
Rebar & Wires	120,090,282	5,483,620	121,950,634	387,637,628
Billets & Ingots	18,933,201	-	306,702,232	-
Sponge iron	106,577,585	-	446,305,704	-
Steel Scrap	1,777,834	-	278,349,660	320,018,615
Mill Scale and Others	22,557,695	-	14,514,872	-
Slag	12,536,004	-	13,071,248	-
	282,472,600	5,483,620	1,180,894,351	707,656,242



	Amount ₹. Year Ended 31/03/2021	Amount ₹. Year Ended 31/03/2020
Note-3.25: EMPLOYEE BENEFITS		
Salaries, Wages, Bonus & Exgratia	238,104,093	245,221,521
Contributions to Provident Fund and other funds		
Provident Fund & DLI	5,783,223	6,018,552
Pension Fund	3,929,308	4,175,067
Group Gratuity Fund	3,802,473	5,004,691
Staff welfare	7,599,723	4,036,023
	259,218,820	264,455,854
Note-3.26: FINANCE COSTS		
Interest Expenses on:		
- Bank	101,700,087	-
- Others	159,934,509	33,211,845
Bank Charges & Comission	785,924	1,494,322
	262,420,521	34,706,167
Note-3.27: OTHER EXPENSES		
a) Manufacturing Expenses:		
Stores, Spares & Consumables	357,434,213	374,224,680
Power & Fuel	26,108,603	3,205,633
Gas charges	827,854	6,039,004
Repairs & Maintenance	14,315,276	13,423,346
Factory Maintanance	511,363	2,406,109
Freight Charges	-	4,486,553
Loading & Unloading Charges	487,457	831,218
Transmission Charges	19,903,043	23,208,829
Contract Charges	32,703,468	62,487,379
Labour Charges	17,760	652,530
Other Manufacturing expenses	26,013,066	43,843,509
b) Other Operational Expenses:		
Legal & professional Charges	28,155,091	25,173,459
Rent, Hire and Rates & Taxes	61,549,861	41,001,204
Insurance	2,913,052	2,494,475
Payment to Auditors		
As Auditors	4,500,000	4,500,000
For Tax Audit	500,000	500,000
For Tax representation	450,000	450,000
For Certification & Others	450,000	450,000
CSR Expenses	1,379,222	1,379,005
Selling & Distribution Expenses	2,929,223	3,321,345
Provision for doubtful debts	(123,191,780)	(45,467,541)
General Charges (#)	58,783,227	65,884,292
Loss on sale of assets		977,276
Exchange Fluctuation Loss (Net)	-	11,704,514
Bad Debts Written Off and others		71,102,067
	516,739,999	718,278,887



	Amount ₹. Year Ended 31/03/2021	Amount ₹. Year Ended 31/03/2020
#General Charges Includes:		
Office Maintenance	6,075,513	6,381,708
Electricity charges	1,242,619	150,128
Postage & Telephone	908,982	1,063,413
Printing & Stationary	267,061	900,657
Freight & Handling Charges	25,190,367	28,470,392
Yard Expenses	661,192	390,140
Vehicle Maintenance	3,182,912	4,563,715
Security Charges	7,249,113	7,158,516
Miscl. Expenses	5,370,201	3,600,779
Fees and Licence	4,197,351	4,330,168
Business Promotion	1,787,589	1,165,508
Donations	-	801,085
Travelling & Conveyance	2,650,327	6,908,083
	58,783,227	65,884,292
Note-3.28: EXCEPTIONAL ITEMS		
Clean Energy Cess written off	-	114,859,588
Bad Debts/Advances written Off	(180,226,200)	-
Gain on extinguishment of liability on account of		
One Time Settlement (OTS)	4,696,855,087	-
Depletion/Erosion of Inventory	(3,978,028,097)	-
	538,600,790	114,859,588
Note-3.29: DEFERRED TAX		
Decrease/(increase) in deferred tax assets	67,031,370	(269,986,620)
(Decrease)/increase in deferred tax liabilities	(40,500,697)	18,735,509
Total deferred tax expenses/(benefit)	26,530,673	(251,251,111)



3.30 In the opinion of the management, the Current Assets, Loans and Advances are expected to realise at least the amount at which they are stated, if realised in the ordinary course of business and provision for all known liabilities have been adequately made in the accounts.

3.31 Disclosure of Sundry creditors under trade payables has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 and relied upon by the Auditors.

Details of total outstanding dues to Micro, Small and Medium Enterprises Development Act, 2006

Disclosure relating to Micro and Small Enterprises:

₹ in Lakhs

Particulars	31st March 2021	31st March 2020
i. (a) The principal amount remaining unpaid to the supplier as at the end of the year.	17.91	228.50
(b) The interest due on the above amount, remaining unpaid to the supplier as at the end of the year	1.86	7.84
ii. The amount of interest paid in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii. The amount of interest due and payable 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 Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
iv. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	1.86	7.84
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

3.32 Contingent liabilities and commitments to the extent not provided for

Contingent Liabilities	Amount (₹) 31st March 2021	Amount (₹) 31st March 2020
a) Claim against the company by GAIL not acknowledge as debt	1,84,07,569	1,84,07,569
b) Demands from Sales tax department disputed	7,78,05,792	10,93,49,752
c) Demands from Excise departments disputed	40,01,27,466	39,21,18,966
d) Demands from GST departments disputed	89,41,505	85,22,684
e) Others	8,20,27,584	8,20,27,584
f) Letter of Credit and Bank Guarantee	-	-

Contingent liabilities represent showcause notices received or pending for final consideration and the Company has already submitted its objections in writing against the demands.

- 3.33** (a) The Company has the paid the full and final amount payable under the One Time Settlement scheme approved by the Lenders on 29.01.2021. The difference between the liability as per the books and the amount paid to the banks under OTS is recognised as exceptional gain in the financial results for the quarter ended 31.12.2020. Refer Note No.3.28 to Ind AS Financial Statements.
- (b) During the year the Company has written down inventory amount of Rs.397.80 Crs due to depletion / erosion and the same is accounted as exceptional item under Note No.3.28 to Ind AS Financial Statements.
- (c) Impairment Loss: Management had carried out verification of assets that are carrying at realizable value in balance sheet, significantly assets which do not have alternative use nor realizable value. Management impaired such assets and charged to depreciation refer note no.3.1.

3.34 (a) Value of imports calculated on C.I.F. basis in respect of:

Particulars	Amount (₹) 31st March 2021	Amount (₹) 31st March 2020
Raw Materials	Nil	Nil
Components and Spares	Nil	Nil

(b) Expenditure in foreign currency:

Particulars	Amount (₹) 31st March 2021	Amount (₹) 31st March 2020
Raw Materials	Nil	Nil
Components and Spares	Nil	Nil
Travelling	Nil	Nil
Others	Nil	Nil
Total	Nil	Nil

(c) Foreign Currency Outgo:

Particulars	Amount (₹) 31st March 2021	Amount (₹) 31st March 2020
Raw Materials (*)	1,02,00,664	Nil

(*) Note: Payment made against outstanding dues.



3.35 Disclosure under Accounting Standards:
3.35.1 Employee Benefits as per Ind-AS 19:
Defined benefit plan-Gratuity:

Particulars	31st March 2021 Value in (Rs.)	31st March 2020 Value in (Rs.)
A. Changes in the present value of the Obligation		
Present value of obligation at the beginning of the year	1,96,68,525	1,56,05,977
Interest cost	12,90,974	11,74,898
Current service cost	26,41,886	23,79,747
Past service cost	-	-
Benefits paid/payable	(9,12,435)	(12,86,152)
Actuarial gain/loss on obligation	(18,41,659)	17,94,055
Present value of obligation at the end of the year	2,08,47,291	1,96,68,525
B. Changes in the fair value of the Plan assets		
Fair value of plan assets at the beginning of the year	12,04,495	29,91,510
Expected return on plan assets	97,095	(5,00,863)
Contributions	50,21,778	-
Benefits paid/payable	(9,12,435)	(12,86,152)
Fair value of plan assets at the end of the year	54,10,933	12,04,495

Particulars	31st March 2021 Value in (Rs.)	31st March 2020 Value in (Rs.)
C. Amounts recognized in the Balance Sheet as on		
Present value of the obligations at the end of the year	2,08,47,291	1,96,68,525
Fair value of plan assets at the end of the year	54,10,933	12,04,495
Liabilities(+)/Asset(-) recognized in the balance sheet	(1,54,36,358)	(1,84,64,030)
D. Amounts recognized in the Statement of P&L for the year ended		
Current service cost	26,41,886	23,79,747
Past service cost	-	-
Interest cost	11,60,587	9,34,319
Net actuarial gain/loss recognized in the year	38,02,473	33,14,066
E. Other Comprehensive Income (OCI)		
Actuarial(Gain)/Loss recognized for the period	(18,41,659)	17,94,055
Return on Plan Assets excluding net interest	33,292	1,03,701
Total Actuarial(Gain)/Loss recognized in OCI	(18,08,367)	18,97,756
F. Principal Actuarial Assumptions:		
Description	2020-21	2019-20
Mortality	IALM (2012-14)Ult	IALM (2012-14)Ult
Interest/Discount Rate	6.74%	6.77%
Rate of increase in compensation	5.00%	5.00%
Expected average remaining service	14.75	15.23

G. Sensitivity Analysis

	DR: Discount Rate		ER: Salary Escalation Rate	
	PVO DR+1%	PVO DR-1%	PVO ER+1%	PVO ER-1%
PVO	1,89,19,427	2,30,90,301	2,30,88,828	1,88,88,467

H. Asset Information

	Target Allocation			
	2020-21		2019-20	
	Total Amount	%	Total Amount	%
Debt Security-Government Bond	Nil	Nil	Nil	Nil
Equity Securities- Corporate Debt Securities	Nil	Nil	Nil	Nil
Other Insurance contracts	Nil	Nil	Nil	Nil
Gratuity Fund (LIC of India)	54,10,933	100.00%	12,04,495	100.00%
Total Itemized Assets	54,10,933	100.00%	12,04,495	100.00%

I. Asset Liability Comparisons:

Year	31.03.17	31.03.18	31.03.19	31.03.2020	31.03.2021
PVO at end of period	1,23,98,438	1,31,65,092	1,56,05,977	1,96,68,525	2,08,47,291
Plan Assets	66,16,772	49,52,507	29,91,510	12,04,495	54,10,933
Surplus/(Deficit)	(57,81,666)	(82,12,585)	(1,26,14,467)	(1,84,64,030)	(1,54,36,358)
Experience adjustments on plan assets	81,303	56,384	6,36,494	(1,03,701)	(33,292)

I. Narrations
1. Analysis of Defined Benefit Obligation:

- ▶ The number of members under the scheme has decreased by 4.83%.
- ▶ The total salary has decreased by 2.61% during the accounting period.
- ▶ The resultant liability at the end of the period over the beginning of the period has increased by 5.99%.

2. Expected rate of return basis

EROA is the discount rate as at previous valuation date as per the accounting standard.

3. Description of Plan Assets and Reimbursement Conditions:

100% of the Plan Asset is entrusted to LIC of India under their Group Gratuity Scheme. Thereimbursement is subject to insurer's Surrender Policy.

4. Investment / Interest Risk:

The Company is exposed to Investment / Interest risk if the return on the invested fund falls below the discount rate used to arrive at present value of the benefit.

5. Longevity Risk:

The Company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

6. Risk of Salary Increase:

The salary escalation rate has remained unchanged and hence there is no change in liability resulting in no actuarial gain or loss due to change in salary escalation rate.

7. Discount Rate:

The discount rate has decreased from 6.77% to 6.74%and hence there is an increase in liability leading to actuarial loss due to change in discount rate.



3.35.2 Segment Reporting as per Ind-AS 108:

A) Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segments and assess their performance.

The Company has two reportable segments, as described below, which are the company's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the company's Board reviews internal management reports on a periodic basis.

The following summary describes the operations in each of the Company's reportable segments:

(B) Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), segment revenue and segment capital employed as included in the internal management reports that are reviewed by the board of directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.



Reportable Segments
(Amount(₹) in lakhs)

Particulars	Iron and Steel		Power		Other reconciliation items		Consolidated Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1.REVENUE								
External Sales	88,811.56	75,177.21	1,029.88	2,904.74	-	-	89,841.44	78,081.95
Inter-Segment Sales	5,639.19	5,511.26	5,807.84	53.22	(11,447.03)	(5,564.48)	-	-
Total Revenue	94,450.75	80,688.47	6,837.72	2,957.96	(11,447.03)	(5,564.48)	89,841.44	78,081.95
2.RESULT								
Segment Result	12,867.34	6,253.84	(1,365.86)	(841.20)	-	-	11,501.48	5,412.64
Finance Cost	2,624.21	259.26	-	87.81	-	-	2,624.21	347.07
Exceptional & Extra ordinary expenses	5,386.01	1148.60	-	-	-	-	5,386.01	1,148.60
Income Taxes	-	-	-	-	-	-	265.31	(2,512.51)
Net profit	-	-	-	-	-	-	13,997.97	6,429.48
3.OTHER INFORMATION								
Segment Assets	74,309.55	1,12,833.04	24,601.63	25,882.27	-	-	98,911.18	1,38,715.31
Segment Liabilities	19,600.56	90,640.14	2,612.82	17,289.51	-	-	22,213.38	1,07,929.65
Additions to assets during the year	189.40	222.74	-	14.67	-	-	189.40	237.41
Depreciation and Amortisation expenses during the year	1,398.20	1,655.63	1,071.65	1068.63	-	-	2,469.85	2,723.66

**3.35.3 Related Party Disclosures as per Ind AS 24 are as follows:****a) Names of related parties and relation with the Company:****i. Key Management Personnel:**

1. B. Satish Kumar- Chairman cum Managing Director
2. B. Suresh Kumar - Jt. Managing Director
3. B. Ramesh Kumar - Jt. Managing Director cum Chief Financial Officer
4. B. Suresh - Director

ii. Enterprise over which key management personnel/their relatives exercise significant influence:

1. Vizag Profiles Private Limited
2. Umashiv Garments Private Limited
3. Simhadri Wires Private Limited
4. Simhadri Pellets India limited
5. Satyatej Vyaapar Private Limited
6. SAWP Steel Limited

b) Particulars of transactions during the year:

(Amount in ₹)

Nature of Transactions	31 st March, 2021	31 st March, 2020
i. Transactions with Key Management Personnel:		
Sri B. Satish Kumar (Remuneration)	67,38,988	67,09,485
Sri B. Suresh Kumar (Remuneration)	61,29,114	60,00,000
Sri B. Ramesh Kumar (Remuneration)	60,00,000	60,00,000
ii. Transactions with relatives of Key Management Personnel:		
Sri B. Rajesh (Salary) Note: We paid two months' salary during the year.	5,00,000	30,00,000
iii. Transactions with enterprise over which key management personnel/their relatives exercise significant influence:		
M/s. Vizag Profiles Private Limited:		
-Sale	3,19,73,697	1,50,85,817
-Purchase	4,53,59,808	7,57,06,961
-Services	58,24,755	10,66,22,769
-Lease Rent	93,60,000	99,75,000
M/s. SAWP Steel Limited		
-Sale	1,11,53,52,377	69,68,80,872
-Purchase	4,37,34,506	2,49,72,622
-Lease Rent	7,80,000	7,80,000

**c) Amount due from/ (due to) related parties at the year-end:** (Amount in ₹)

Nature of the Party	31 st March, 2021	31 st March, 2020
Enterprise over which key management personnel/their relatives exercise significant influence:		
M/s.Vizag Profiles Private Limited	(58,81,03,689)	(11,65,11,103)
M/s.Sri Ananda Subbaraya Wire Products Private Limited	(768,11,311)	(3,92,11,989)
M/s. SEIL (Hong Kong) Limited	Nil	1,94,772

3.35.4 Earnings Per Share (EPS) as per Ind AS-33:

Particulars	31 st March, 2021	31 st March, 2020
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	140,09,64,885	64,16,44,180
No. of Equity Shares	7,66,84,635	7,59,84,812
Basic and Diluted Earnings Per Share (₹)	18.27	8.44
Nominal Value per Share (₹)	10	10

3.35.5 Accounting for Deferred Taxes on Income as per Ind AS-12:

Necessary details have been disclosed in note no.3.13.

3.35.6 Provisions, Contingent Liabilities and Contingent Assets as per Ind AS-37:

Necessary details in regard to provisions have been disclosed in note no.3.32

3.35.7 General:

- Expenses are accounted under prepaid expenses only where the amounts relating to unexpired period are material.
- Some of the balances appearing under trade receivables, Trade payables, advances, security deposits and other payables are subject to confirmations.
- Figures for the previous year have been regrouped/ rearranged wherever considered necessary so as to confirm to the classification of the current year.
- The Company has declared net profit during the year ended 31st March 2021. During the Financial Year the company has successfully completed debt resolution scheme by way of OTS (One Time Settlement) with lenders of the Company. And keeping in view the expected gradual improvement in demand for steel in the nearby future, the Company expects considerable improvement in its financial performance after the debt resolution. The impact of these developments is expected to be favorable on the Company's operations and financials and the company has therefore prepared these financial statements on the basis of going concern concept.

3.35.8 Fair Value Measurement:

Financial Instruments by category

	As at March 2021			As at March 2020		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets:						
Investments	-	-	-	-	-	-
Trade receivables	-	-	55,04,53,801	-	-	37,99,22,449
Cash and cash equivalents	-	-	2,07,04,194	-	-	25,55,91,359
Other bank balances	-	-	2,67,86,322	-	-	82,16,583
Other financial assets	-	-	34,42,58,562	-	-	35,78,85,387
Total:	-	-	94,22,02,889	-	-	100,16,15,778
Financial Liabilities:						
Borrowings	-	-	-	-	-	738,94,96,866
Trade payables	-	-	94,86,19,053	-	-	108,93,00,043
Other financial liabilities	-	-	52,60,29,804	-	-	200,67,10,616
Total:	-	-	147,46,48,857	-	-	1048,55,07,525

*FVTPL-Fair Value through Profit and Loss

*FVTOCI -Fair Value through Other Comprehensive Income

- Assets that are not financial assets (such as receivables from statutory authorities, prepaid expenses, advanced paid and certain other receivables) as of 31st March 2021 and 31st March 2020 are not included.
- Other liabilities that are not financial liabilities (such as statutory dues payable, advance from customers and certain other accruals) as of 31st March 2021 and 31st March 2020 are not included.

The carrying amount of above financial assets and liabilities are considered to be same as their fair values, due to their short term nature.

3.35.9 Financial Risk Management :

a) Risk Management Framework

The Company's Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors monitors the compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.



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

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, loans	Ageing analysis	Diversification of credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed borrowing facilities to facilitate the day today working capital requirements.
Market risk- currency risk	Imports giving rise to foreign currency payables	–	–

3.35.9.1.1 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

Trade receivables

"The Company sales are generally based on credit period and advance payments. The trade receivables in the books are mainly on account of credit sales to various parties."

Expected credit loss for trade receivables under simplified approach is detailed as per the below tables:

-Year ended 31 March 2021

Ageing	0-30	30-60	60-90	90-120	120-180	>180	Total
Gross carrying amount	33,50,63,641	5,97,02,306	5,02,71,305	87,68,954	1,21,17,850	21,91,97,071	68,51,21,125
Expected loss rate	0.13%	17.95%	43.06%	25.97%	1.49%	45.36%	19.66%
Expected credit losses (loss allowance provision)	4.25.727	1,07,14,121	2,16,48,721	22,77,322	1,80,880	9,94,20,553	13,46,67,325
Carrying amount of trade receivables (net of impairment)	334,637,914	48,988,185	28,622,583	6,491,631	11,936,970	119,776,518	550,453,801

-Year ended 31 March 2020

Ageing	0-30	30-60	60-90	90-120	120-180	>180	Total
Gross carrying amount	19,12,26,031	2,96,14,181	49,74,330	1,48,42,409	1,83,91,141	37,87,33,462	63,77,81,554
Expected loss rate	12.35%	15.04%	22.61%	25.12%	47.10%	57.10%	40.43%
Expected credit losses (loss allowance provision)	2,36,22,761	44,54,123	11,24,634	37,27,898	86,62,226	21,62,67,463	25,78,59,105
Carrying amount of trade receivables (net of impairment)	16,76,03,270	2,51,60,058	38,49,696	1,11,14,511	97,28,915	16,24,65,999	37,99,22,449

Reconciliation of loss allowance provision-trade receivables:

(Amount in ₹)

Loss allowance on 1st April 2019	30,33,26,646
Changes in loss allowance	(4,54,67,541)
Loss allowance on 31st March 2020	25,78,59,105
Changes in loss allowance	(12,31,91,780)
Loss allowance on 31st March 2021	13,46,67,325

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

(i) Financing Arrangements

The Company has access to the following undrawn borrowing facilities at the end of reporting period:

	31st March 2021	31st March 2020
Flexible rate		
Expiring within one year (bank overdraft and other facilities)		
Working capital limits with banks	Nil	Nil

(ii) Maturities of financial liabilities

The table below summarise the maturity profile of the Company's financial liabilities:

-Year ended 31 March 2021

(Amount in ₹)

Ageing	Less than 3 months	More than 3 and up to 12 months	More than 1 year and upto 5 years	>5 years	Total
Trade payable	44,75,87,624	31,76,53,681	18,33,77,748	-	94,86,19,053
Non-current borrowings (Debentures)	-	-	350,99,19,021	-	350,99,19,021
Other financial Liabilities	30,30,56,494	6,23,14,142	16,06,59,168	-	52,60,29,804

-Year ended 31 March 2020

(Amount in ₹)

Ageing	Less than 3 months	More than 3 and upto 12 months	More than 1 year and upto 5 years	>5 years	Total
Trade payable	44,84,50,168	7,59,98,665	56,48,51,200	-	108,93,00,043
Non-current borrowings (Banks)	-	-	73,23,00,000	-	73,23,00,000
Current borrowings	738,94,96,866	-	-	-	738,94,96,866
Other financial Liabilities	180,85,15,446	5,46,31,437	14,35,63,732	-	200,67,10,615

C. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(i) Foreign currency risk

Since majority of the Company's operations are being carried out in India and since all the material balances are denominated in its functional currency, the company does not carry any material exposure to currency fluctuation risk.

The Company's exposure to foreign currencies in minimal and hence no sensitivity analysis is presented.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's exposure to interest rate risk in minimal and hence no sensitivity analysis is presented.

3.6.10 Capital Management
(a) Risk management:

The primary objective of the Company's capital management is to maximise the shareholder value. The Company's objectives when managing the capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors and senior management monitors the



return on capital, which the Company defines as result from operating activities divided by total shareholders' equity.

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders the Company has no external borrowings as on 31st March 2021.

(b) Dividends:

(Amount ₹.)

Particulars	31st March 2021	31st March 2020
(i).Equity Shares		
Final dividend for the year ended 31st March 2021 of Rs. Nil (31st March 2020 of Rs. Nil)	-	-

(Amount ₹.)

Particulars	31st March 2021	31st March 2020
Net Debt (excluding short term and unsecured loans)	350,99,19,021	73,23,00,000
Total Equity	302,42,82,447	155,50,03,835
Net debt to equity ratio	1.16	0.47

As per our report of even date

For **BHAVANI & CO**

Chartered Accountants

Firm Reg. No:012139S

for and on behalf of the Board of Directors

B. SATISH KUMAR

Chairman-cum-Managing Director

DIN : 00163676

B. SURESH KUMAR

Jt. Managing Director

DIN : 00206473

CA S Kavitha Padmini

Partner

M.No. : 229966

UDIN : 21229966AAAACU2937

B.RAMESH KUMAR

Jt. Managing Director-cum-Chief Financial Officer

DIN : 00206293

M.RAVEENDRA BABU

Company Secretary

M. No. : A34409

Place: Visakhapatnam

Date : 28.05.2021

Steel Exchange India Limited - Members KYC Updation

Dear Shareholder(s),

Sub: Mandatory updation of PAN and Bank Account details & e-mail id & Contact details:

The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 has issued guidelines for Strengthening and raising Industry standards for Registrar and Share Transfer Agents (RTA), Issuer Companies and Banker to an Issue. Further, one of the directions of the said circular requires the Company to take special efforts towards updation of PAN and bank account details along with e-mail id and contact details of all those shareholders of the Company holding shares in physical form who have not updated their details earlier.

As per the records of the Company, we note that you have not updated your PAN and bank account along with e-mail id and contact details with the Company.

In view of the above and in compliance of the said SEBI circular, we request you to update your PAN and bank account details along with e-mail id and contact details by filling the attached form and submitting the same along with a self attested copy of your PAN Card, and original cancelled cheque leaf showing name of account holder (if name is not printed, self attested copy of first page of the bank passbook) within 21 days from the date of receipt of this letter to us to our Share Transfer Agent M/s Venture Capital and Corporate Investments Private Limited, 12-10-167, Bharat Nagar, Hyderabad - 500 018, TelNo.04023818475/76, (or) send the scan copies of the same to email id : info@vccilindia.com or cs@seil.co.in

Further, as per SEBI (LODR) Regulations, 2018 No. SEBI/LAD-NRO/GN/2018/24 dated 08.06.2018 and BSE circular no. LIST/COMP/15/2018-19 dated 05.07.2018 request for effecting transfer of shares in physical form has not possible with effect from 01st April, 2019 unless the shares are held in dematerialized form with a depository. Hence, it would be in your interest, to take necessary steps to dematerialize your shares through your Depository Participant and hold them in Electronic Form.

Kindly quote your Folio No. in all your correspondence (Attached draft letter in which information is to be sent for updating of your PAN and Bank Account details along with e-mail id and contact details)

If you fail to update your mail id with the Company/Depository/RTA, then we can stop to send the physical copy of Annual Reports from next year due to green initiative of Government of India to protect environment.

Thanking you,
Yours faithfully,
For **Steel Exchange India Limited**,

Sd/-
B Satish Kumar
Managing Director
DIN : 00163676



KYC UPDATION FORM

To
Venture Capital and Corporate Investments Private Limited
Unit: Steel Exchange India Limited
12-10-167, Bharat Nagar,
Hyderabad - 500 018

Date: _____

Dear Sir,

In terms of SEBI Circular dated 20/04/2018 and rules made their under, I wish to inform you that update my details given below in your records and I enclosed herewith self-attested copy of my PAN Card and original cancelled cheque leaf/Bank Passbook or Bank statement attested by Bank.

General Information:

Folio No.*	
Name of the Sole / First Holder:*	
PAN No.*	
Aadhaar Number	
Father's Name	
Address 1*	
Address 2*	
Address 3	
Address 4	
Pin Code*	
Mobile No	
Email Id*	
Bank Account no.*	
Bank Name*	
Branch Address*	
IFSC Code*	MICR Code
2nd Holder Name	
PAN No.	
3rd Holder Name	
PAN No.	

* Mandatory Field

I/We hereby state that the above mentioned details are true and correct.

Sole/ First Holder Name: _____ Signature: _____

2nd Holder Name: _____ Signature: _____

3rd Holder Name: _____ Signature: _____

Note:

1. If any change in your details already submitted to us, kindly fill the changes in the form along with supporting documents.
2. Your details have already submitted to us we have marked as registered in the respective column, the other details to be submitted to us along with supporting documents.
3. For residents of Sikkim provide self attested copy of Aadhaar Card/Passport instead of PAN Card.



SMS Unit



Sponge Iron Unit



Railway Sliding



Location



STEEL EXCHANGE INDIA LIMITED

Regd. Office : # 303, My Home Laxmi Nivas, Greenlands, Ameerpet, Hyderabad - 500 016.
Telephone No: +91-40-23403725 , Fax No: +91- 40- 23413267

Corp. Office : Block A, 4th Floor, Green City Towers, Green City, Vadlapudi, Visakhapatnam - 530 046.
Telephone: +91-891-2587175, 2587573 Fax: +91-891-2749215
Website: www.seil.co.in