

# Shyam Century Ferrous Limited

Regd. Office. : Vill. : Lumshnong, PO: Khaliehriat, Dist. East Jaintia Hills, Meghalaya-793 210, Phone No. - 03655-278215/16/18  
Fax : 03655-278217, E-mail : investors@shyamcenturyferrous.com, Website - www.shyamcenturyferrous.com  
CIN-L27310ML2011PLC008578

Date: 05th September, 2023

To,  
The Listing Department,  
National Stock Exchange of India Limited  
"Exchange Plaza", C-1, Block-G  
Bandra Kurla Complex, Bandra (E)  
Mumbai - 400 051  
Scrip Code: SHYAMCENT (NSE)

The Listing Department  
The BSE Limited  
Phiroze Jeejeebhoy Tower  
Dalal Street  
Mumbai - 400001  
Scrip Code: 539252(BSE)

Dear Sir(s)/Madam(s),

**Sub: Annual Report, Accounts together with Notice of the 12<sup>th</sup> Annual General Meeting ('AGM') of the Company for the Financial Year 2022-23 in terms of requirements of Regulation 30 & 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('LODR Regulations')**

Pursuant to Regulation 30 & 34 of the LODR Regulations, we enclose herewith a copy of the Annual Report, Accounts together with Notice of 12<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Thursday, 28<sup>th</sup> September, 2023 at 02:00 P.M. (IST) through Video Conferencing ("VC") and Other Audio Visual Means ("OAVM").

The copy of the Annual Report, Accounts together with Notice of 12<sup>th</sup> Annual General Meeting are available on the following link:

[https://shyamcenturyferrous.com/php/view\\_annual\\_report\\_pdf.php?pdf=AnnualReport-FY-2022-23.pdf](https://shyamcenturyferrous.com/php/view_annual_report_pdf.php?pdf=AnnualReport-FY-2022-23.pdf)

This is for your information and record.

Thanking you,  
For Shyam Century Ferrous Limited

Ritu Agarwal  
Company Secretary



**Office & Works** : EPIP, Rajabagan, Byrnihat, Meghalaya-793101, Ph : No. - 9436108851

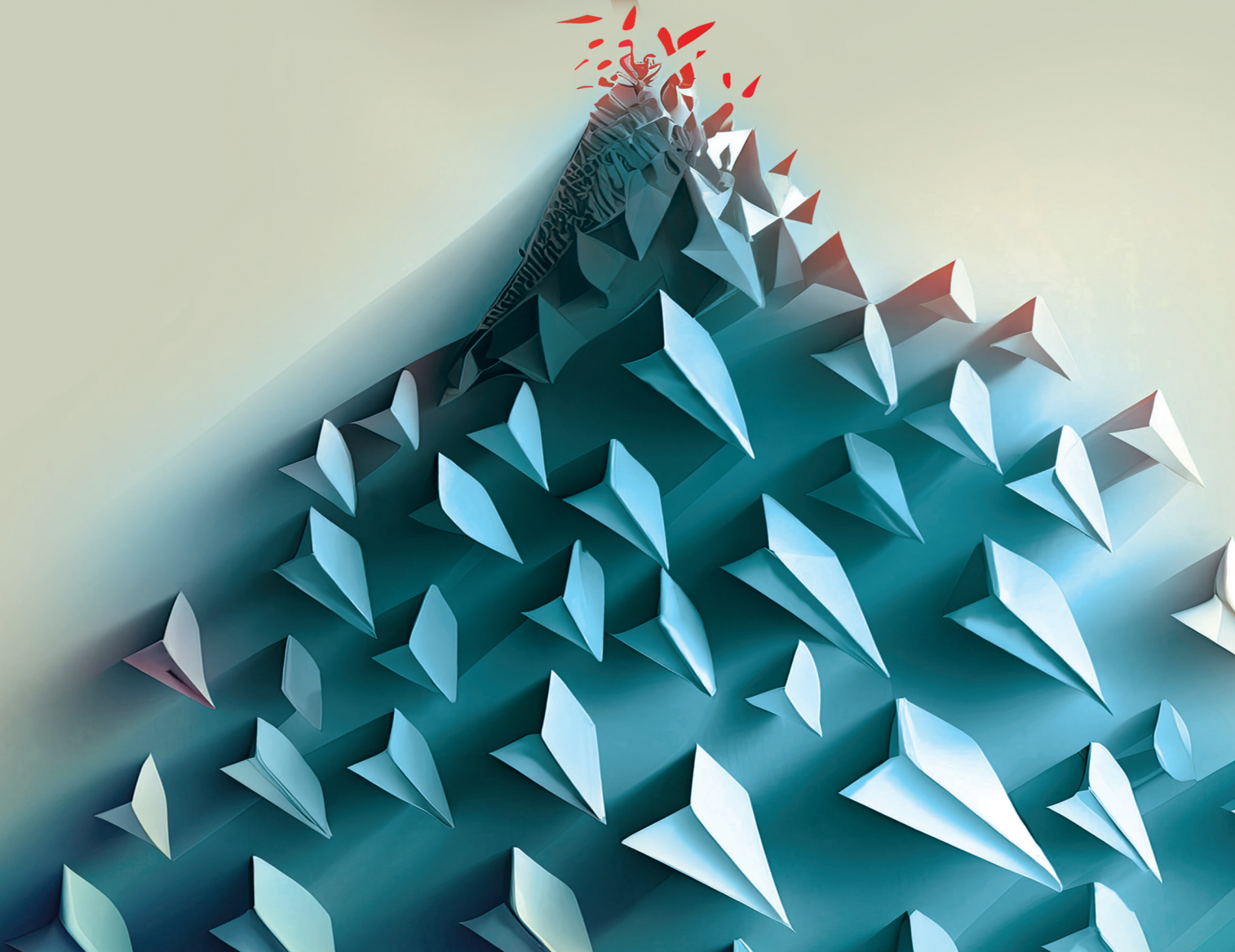
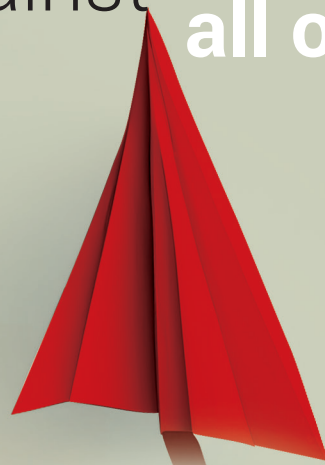
**Corporate Office** : Century House, P-15/1, Taratala Road, 2nd floor, Kolkata -700088

**Guwahati Office** : C/o Star Cement Limited, Mayur Garden, 2nd Floor, Opp. Rajiv Bhawan, GS Road, Guwahati-781005  
Ph : 0361 24612215/16/17, Fax : 0361 2462217

SHYAM CENTURY FERROUS LIMITED

ANNUAL REPORT 2022-23

thriving against all odds



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### Investor Information

Market Capitalisation as of  
31<sup>st</sup> March, 2023: ₹ 367.03 Crore

CIN: L27310ML2011PLC008578

NSE Code: SHYAMCENT

BSE Code: 539252

Bloomberg Code: SCFL: IN

AGM Date: 28<sup>th</sup> September, 2023 at  
02:00 P.M

AGM Venue: Video conference and  
other audio- visual means ('VC')

Scan this QR code to navigate  
investor-related information.



An electronic version of this report is available online at:  
<https://shyamcenturyferrous.com/investors/annual-report.php>

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

# thriving against all odds

Shyam Century Ferrous Limited (the Company) embodies the fusion of resilience, agility and optimism even in the face of difficult times. With unprecedented challenges hurled its way during the past year, the Company stands its ground, emerging stronger with unmatched endurance. Amid economic uncertainty and global socio-political unrest that tested organisations across all industries, your Company has proved its worth, outperforming many industry peers amid sectoral headwinds.

As the Company surges ahead, the synergy of its dedicated team's collective efforts and prudent choices empowers it to conquer adversity, and set sail towards a promising future. Overcoming the challenges that loomed large during the year, Shyam Century Ferrous Limited not only survives, rather finds ways to thrive through quick adaptation, perseverance, and commitment to excellence.

Throughout its journey, the Company has demonstrated an impressive grit that stems from the very foundations of its culture. Even in unfavourable circumstances, the Company has managed to maintain production stability, highlighting its ability to hold the fort during volatile business environments. As an ode to this indomitable spirit, this annual report celebrates a year of overcoming challenges and thriving against all odds, seizing new opportunities for growth.





# Message from the Managing Director's Desk

Dear Shareholders,

I am pleased to present this year's annual report, which outlines our Company's journey through a challenging yet transformative year. We faced several obstacles that tested our resilience and adaptability, but we also seized opportunities that propelled us forward.

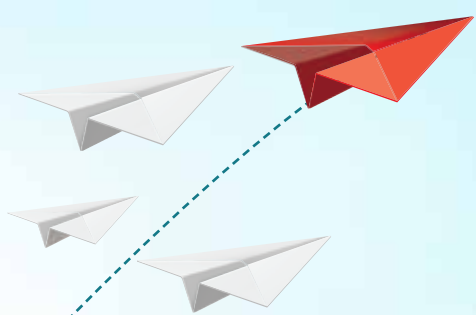
## Macroeconomic View

The Indian economy has stood its ground amid global inflationary headwinds in FY 22-23. As per the National Statistical Office, India registered an impressive 7.2% GDP growth rate in FY 22-23 despite turbulent international conditions, marked by geopolitical tensions and supply chain disruptions. This further strengthens the country's position as one of the world's fastest-growing major economies, emerging as a bright spot with its economic performance at a time when many countries around the world are struggling with high inflation and sluggish growth. The steady expansion of the Indian economy underscores its strong fundamentals and policy actions that have provided stability during global volatility.

## Fortitude in the Face of Challenges

During the year, we encountered significant challenges that put our fortitude and resourcefulness to test. The primary hurdle came in the form of power scarcity from the state grid, causing considerable difficulties in sustaining and operating at an optimal level. This scarcity originated from the state's power deficiency, severely constraining our ability to support our operations adequately. Moreover, the need to set up a new incoming power transformer for the third furnace added further complexity to our infrastructure setup, compounding the challenges we faced. In addition to that over supply by China in International market also affected price and demand. Despite these obstacles, our team's relentless efforts and strategic decision-making enabled us to navigate these testing times and position our Company for future growth.

As the Covid-19 pandemic gradually subsided globally, the initial surge in steel demand moderated as infrastructure projects adjusted to a post-Covid-19 pandemic environment. With inflation rising across major economies, central banks increased interest rates to curb high inflation. This, in turn, led to an increase in the cost of borrowing for infrastructure projects. Since steel demand is primarily driven by infrastructure development, the higher borrowing costs resulted in some moderation from the strong post-reopening demand. Recognising this shift, we implemented adjustments to our steel business strategy, aligning operations to the changing on-ground realities.



## Seizing Opportunities and Delivering Excellence

Overcoming the challenges that beset us during the year demanded a concerted and innovative approach. By optimising power utilisation and exploring alternative sources, we mitigated the impact of power scarcity. Simultaneously, we streamlined the new transformer setup, enhancing infrastructure efficiency. Monitoring market dynamics enabled us to navigate volatile commodity prices with timely material decisions, outperforming competitors. Our dedicated team's collective efforts and prudent choices empowered us to triumph over adversity, positioning us for a promising future.

## Financial Performance

We have recorded revenue from operations at ₹ 1,809.88 Mn in FY 22-23, which was ₹ 2,073.64 Mn in FY 21-22. Net profits and net profit margin stood at ₹ 266.38 Mn and 14.72% as opposed to ₹ 568.64 Mn and 27.42%, respectively in FY 21-22. Despite there being a decline in the results, we have successfully managed to maintain production stability, highlighting our Company's resilience even during challenging business environments. Moreover, we continue to be on a sound financial footing and have even outperformed many industry peers amid ferro alloys headwinds. Our endurance and seize-the-moment agility have further strengthened our position. By leveraging our expertise and capitalising on India's economic optimism, we are poised for a promising future and ready to embrace emerging opportunities. We are committed to sustaining our journey through prudent analysis and pointed decision-making, with our financials underscoring the need of consistently evaluating business scenarios to make astute decisions that propel our Company forward.

## Conclusion

I express my heartfelt gratitude to all our employees, whose firm dedication has been instrumental in building a strong and adaptable organisation. Additionally, I am deeply thankful to our valued stakeholders for their unrelenting support over the years, and I am optimistic about their continued backing as we embark on our journey to elevate our Company to new and greater accomplishments.

With warm regards,

**Aditya Vimalkumar Agrawal**  
Managing Director

“  
DESPITE THESE  
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MAKING ENABLED  
US TO NAVIGATE  
THESE TESTING TIMES  
AND POSITION OUR  
COMPANY FOR FUTURE  
GROWTH.  
”

# Corporate Information

CIN : L27310ML2011PLC008578

## BOARD OF DIRECTORS

**Mr. Aditya Vimalkumar Agrawal**  
Managing Director

**Mr. Sumanta Kumar Patra**  
Whole-Time Director & CEO  
(w.e.f. 17<sup>th</sup> May, 2022)

**Mr. Rajesh Kumar Agarwal**  
Director

**Mr. Pramod Kumar Shah**  
Independent Director

**Mr. Nirmalya Bhattacharyya**  
Independent Director

**Mrs. Plistina Dkhar**  
Independent Director

## AUDITORS

M/s. D.K.Chhajer & Co.  
Chartered Accountants  
Nilhat House,  
11, R. N. Mukherjee Road,  
Kolkata - 700 001

## CHIEF EXECUTIVE OFFICER

**Mr. Sumanta Kumar Patra**

## CHIEF FINANCIAL OFFICER

**Mr. Uday Bahadur Chetri**

## COMPANY SECRETARY

**Mrs. Ritu Agarwal**  
(w.e.f. 27<sup>th</sup> May, 2022)

**Mrs. Neha Agarwal**  
(upto 26<sup>th</sup> May, 2022)

## REGISTERED OFFICE

VIII: Lumshnong, P.O: Khaliehriat  
Dist: East Jaintia Hills  
Meghalaya – 793210

## WORKS

Ferro Alloys & Power Plant  
EPIP, RajaBagan,  
Byrnihat Ri-Bhoi,  
Meghalaya - 793 101

## CORPORATE OFFICE

Century House, 2<sup>nd</sup> Floor,  
P 15/1, Taratala Main Road,  
CPT Colony, Taratala,  
Kolkata - 700 088

**Phone :** +91-33 24015555

**Email :** investors@shyamcenturyferrous.com

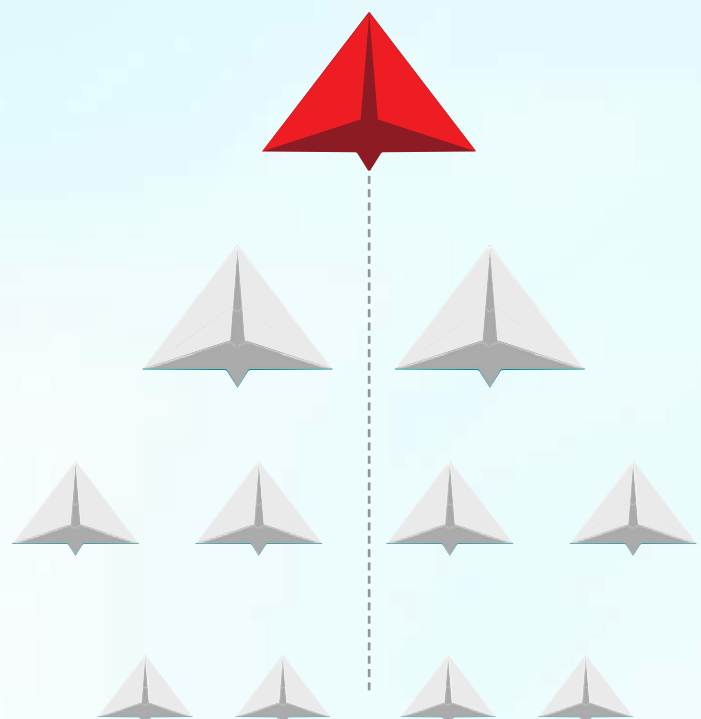
**Website :** www.shyamcenturyferrous.com

## REGISTRARS & SHARE TRANSFER AGENTS

Maheswari Datamatics Pvt. Ltd.  
23, R. N. Mukherjee Road, 5<sup>th</sup> Floor,  
Kolkata - 700001

## BANKERS

HDFC Bank Ltd.



# DIRECTORS' REPORT & MANAGEMENT DISCUSSION ANALYSIS

Dear Shareholders,

Your Directors have pleasure in presenting the Twelfth Annual Report of the Company together with the Audited Balance Sheet as at 31st March, 2023 and the Statement of Profit & Loss for the year ended on that date.

## FINANCIAL PERFORMANCE

The highlights of the financial performance of the Company for the financial year ended 31st March, 2023 as compared to the previous financial year are as under:-

(₹ in Lakhs)

Particulars	FY 22-23	FY 21-22*
Total Income	18,819.23	21,250.46
Profit before Depreciation, Interest and Tax and exceptional item	4,036.29	7,910.52
Depreciation Amortization Expenses	335.30	209.12
Finance Cost	34.58	63.19
Exceptional items	-	-
Profit Before Tax	3,666.41	7,638.21
Tax Expenses:		
- Current Tax	1012.77	1,812.53
- Income Tax for earlier years	0.85	1.45
- Deferred Tax	(10.98)	137.81
Profit for the period	2,663.77	5,686.42
Other comprehensive income for the period, net of tax	(0.91)	1.68
Total comprehensive income for the period	2,662.86	5,688.10

\* Previous year's figures were rearranged and regrouped wherever necessary.

## FERRO ALLOYS BUSINESS - INDUSTRY AT A GLANCE

With the increase in domestic steel demand, India continues to be a major producer of steel. During the calendar year 2022 India produced 124.5 mn tons of crude steel and 117.8 mn tons of finished steel.

At present, crude steel capacity in India is 154 mn tons per annum. The Indian steel sector roughly contributes around 2% to India's GDP.

Indian steel industry faced various challenges during the year 2022. In view of Russian Ukraine war, price of coking coal increased abruptly therefore, for meeting the requirements the Indian producers' imported coal from Australia, Indonesia, Canada and South Africa etc., which has led to increase of cost of production. Moreover, Government had imposed export duty on steel which had adversely affected export of steel, however Govt. of India removed the export duty on steel in end of 2022, which gave a deep sigh of relief to the exporter.

Policy of the Govt. of India helping the steel industry. The Govt. of India introduced various projects and schemes to give impetus to the steel industry like 'Production linked Scheme'.

In view of Government's budget allocation for infrastructure development it is expected that during the Financial Year 2023-24 there will be robust domestic demand growth of around 7%. Construction, real estate and automobile sectors are major contributor for the steel industry.

Ferro alloys are alloys of iron that contain a high percentage of one or more other elements, such as manganese, chromium, or silicon. It has uses in stainless steel production, cast iron production and as additives in the production of other alloys. Stainless steel contains a high proportion of chromium, which is an important ingredient in ferro alloys.

Global ferro alloys market is looking very optimistic and is expected to register a CAGR of 5.2% during 2022-2025. China has the largest market in ferro alloys and accounting for over 35%. Other major markets in the region include India, Japan, South Korea, and Taiwan.

The Financial Year 2022-23 was a year of mixed opinions and performances for the domestic steel industry. Russia-Ukraine war definitely affected global steel industry. The global steel prices slashed down which affected domestic prices also and on the other hand, there was a high rise of input materials.

Country has identified new reserves for coking coal which will help the manufacturers to reduce import of coal and thus will reduce production cost.

India continues for its economic recovery which is looking optimistic about the future despite a challenging year. Another factor driving market growth is the increasing use of ferro alloys in non-steel applications. Overall, the future outlook for the global ferro alloys market is positive. The



**DIRECTORS' REPORT & MANAGEMENT DISCUSSION ANALYSIS (Contd.)**

market is expected to grow steadily in the coming years, driven by increasing demand from various industries.

During the year under review, your Company has sold 14,981 MT. of Ferro Silicon as against 14,546 MT. recorded in previous year. Your Company produced 14,967 MT. of Ferro Silicon during the year under review as against 14,955 MT. recorded in the Financial Year 2021-22. During the year there was an instance of furnace breakdown for a limited period of time for which the production was affected, however in the fourth quarter the production increased considerably due to functionality of the 3rd furnace. While your Company constantly strives to increase stakeholder's value, emphasis continues to be on delivering value to customers and strengthening processes while driving sustainable practices, resulting into expanding customer base.

**POWER BUSINESS**

During the year under review, your Company focused on purchasing power from MPDCL, therefore has not generated any power like previous year.

**OPPORTUNITIES & THREATS, RISKS AND CONCERNS**

Ferro silicon market depends on demand from steel and stainless steel market. Continuous support from the Government by way of introducing various policies like National Steel Policy, 'Make in India' and other budgetary support for development of infrastructure sectors helped the ferro alloys industry to grow.

Performance of the Company depends on the continued demand of our products in the steel and stainless-steel industry. Ferro Silicon market in India is subdued for quite a period of time. Highest consumption of Ferro Silicon seen in Stainless Steel Sector followed by Mild Steel Sector. Government's various initiatives to liberalise industrial policy, approval of National Steel policy and policy on 'Make in India' and other infrastructural initiatives taken are expected to push the demand of ferro silicon.

Challenges being faced by the domestic companies due to short availability of raw materials and very high-power cost, lack of infrastructural facilities for easy transportation of raw materials to the location affects the sector. Policy of the Government, regulatory changes and force majeure events may also affect the development of domestic industry.

Despite all threats, Indian Ferro alloys industry has tremendous growth prospect due to low per capital steel production, rapid industrialisation, urbanisation, infrastructural development, thriving automobile and railway sectors and other Government initiatives. The Company has evolved a risk management framework to identify, assess and mitigate the key risk factors of the business. The Board of the Company is kept informed about the risk management of the Company.

**PERFORMANCE AND OPERATIONS REVIEW**

During the year under review, on a full year basis, the Company has posted total revenue of ₹ 18,819.23 Lakhs and Profit before Tax of ₹ 3,666.41 Lakhs in Financial Year 22-23 as against ₹ 21,250.46 Lakhs and ₹ 7,638.21 Lakhs respectively during the previous financial year. Your Company produced 14,967 MT. of Ferro Silicon during the year under review as against 14,955 MT recorded in the Financial Year 2021-22.

**BUY-BACK OF SHARES**

During the year under review your Company has bought back 1,00,00,000 Equity Shares of ₹ 1 each from all the existing shareholders/ beneficial owners of the Company as on record date i.e., 27th September, 2022 on a proportionate basis through tender offer route at a price of ₹ 28 each for an aggregate amount of ₹ 28,00,00,000 (Rupees Twenty Eight Crore only). The payments have been made to all the eligible shareholders on 17th November, 2022, subsequently the bought back shares have been extinguished resulting in reduction of paid up share capital to ₹ 21,21,72,990 divided into 21,21,72,990 equity shares of ₹ 1 each.

In accordance with Section 69 of the Companies Act, 2013, during the year ended 31st March, 2023, the Company has created a Capital Redemption Reserve of ₹ 1,00,00,000 equal to the nominal value of Shares bought back as an appropriation from General Reserves.

**SHARE CAPITAL**

The paid-up Equity Capital as on 31st March, 2023 was ₹ 21,21,72,990 divided into 21,21,72,990 equity shares of ₹ 1 each. Consequent upon bought back of 1,00,00,000 Equity Shares of ₹ 1 each, the paid up Equity Share Capital of the Company has been reduced during the Financial year ended 31st March, 2023 to that extent. During the year under review, the Company has neither issued any shares with differential voting rights nor granted stock options or sweat equity shares.

In accordance with Section 69 of the Companies Act, 2013, during the year ended 31st March, 2023, the Company has created a Capital Redemption Reserve of ₹ 1,00,00,000 equal to the nominal value of Shares bought back as an appropriation from General Reserves.

**SHARES IN SUSPENSE ACCOUNT**

Disclosures of the shares lying in Company's Unclaimed Shares Suspense Account are given in the Report of Corporate Governance.

**ANNUAL RETURN**

In terms of requirement of section 134 (3) (a) read with Section 92(3) of the Companies Act, 2013 and the rules made thereunder, the Annual return of the Company has been placed on the Company's website and can be accessed at

## DIRECTORS' REPORT & MANAGEMENT DISCUSSION ANALYSIS (Contd.)

the web link: <https://shyamcenturyferrous.com/investors/annual-return.php>

### MEETINGS OF THE BOARD

During the year, Five (5) Board Meetings and Five (5) Audit Committee meetings were convened and held on 17th May, 2022, 02nd August, 2022, 11th August, 2022, 14th November, 2022 and 03rd February, 2023. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The details of the Board Meeting are provided in the Corporate Governance Report.

### MEETINGS OF INDEPENDENT DIRECTORS

During the year under review, meeting of Independent Directors was held on 17th March, 2023 wherein the performance of the Non-Independent Directors and the Board as a whole was reviewed. The Independent Directors at their meeting also, inter alia, assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors of the Company.

### COMMITTEES OF THE BOARD

The composition and terms of reference of the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Finance Committee have been furnished in the Corporate Governance Report forming part of this Annual Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee and Nomination and Remuneration Committee.

### WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company has formed a Whistle Blower Policy/ Vigil Mechanism as required under Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimisation of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The said policy may be referred to at the Company's website at the <http://shyamcenturyferrous.com/php/policies.php?pdf=Whistle-Blower-Policy.pdf>.

### POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES

The Board has framed a Remuneration Policy for selection, appointment and remuneration of Directors, Key Managerial

Personnel and Senior Management Employees. The remuneration policy aims to enable the Company to attract, retain and motivate highly qualified members for the Board and at other executive levels. The remuneration policy seeks to enable the Company to provide a well-balanced and performance-related compensation package, taking into account shareholders' interests, industry standards and relevant Indian corporate regulations. The details on the same are given in the Corporate Governance Report. The said policy may be referred to at the Company's website at the web link: <http://shyamcenturyferrous.com/php/policies.php?pdf=Remuneration-policy.pdf>.

### CODE OF CONDUCT

With intent to enhance integrity, ethics & transparency in governance of the Company your Company had adopted a Code of Conduct for Directors and Senior Management Personnel. The Code has been displayed on the Company's website at <http://shyamcenturyferrous.com/php/policies.php?pdf=Code-of-Conduct-for-Senior-Management.pdf>.

### COMPLIANCE WITH THE SECRETARIAL STANDARD AND INDIAN ACCOUNTING STANDARDS

The Company has complied with the applicable Secretarial Standards as recommended by the Institute of Company Secretaries of India. The Company has also complied with all relevant Indian Accounting Standards (Ind AS) referred to in section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 while preparing the financial statements.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirement of Section 134 (3) (c) read with section 134 (5) of the Companies Act, 2013, the Directors hereby confirm and state that:

- In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures, if any.
- The Directors have selected such accounting policies and have 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 31st March, 2023 and of the profit of the Company for the year under review.
- 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.
- The Directors have prepared the annual accounts on going concern basis.

### DIRECTORS' REPORT & MANAGEMENT DISCUSSION ANALYSIS (Contd.)

- 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.
- 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.

#### AUDITORS & AUDITORS' REPORT

M/s. D. K. Chhajer & Co., Chartered Accountants (Firm Registration Number: 304138E) Statutory Auditors of the Company, have been appointed by the members at the Tenth Annual General Meeting and shall hold office for a period of 5 years from the date of such meeting held on 30th September, 2021.

The Statutory Auditors' Report "with an unmodified opinion", given by M/s. D K Chhajer & Co., on the Financial Statements of the Company for the Financial Year ended 31st March, 2023, is appended in the Financial Statements forming part of this Annual Report.

The notes to the accounts referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any further comments.

#### COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its manufacturing activity is required to be audited. Your Directors have, on the recommendation of the Audit Committee, appointed M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration Number: 000064) as Cost Auditors of the Company for the financial year ended 31st March, 2023 in the Board Meeting held on 17th May, 2022. The remuneration proposed to be paid to them for the Financial Year 2022-23, as recommended by audit committee, was ratified in the meeting of shareholders held on 27th September, 2022.

The Board of Directors of the Company on the recommendation of the Audit Committee, appointed M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration number 000064), as the Cost Auditors of the Company for the Financial Year 2023-24 under section 148 of the Companies Act, 2013. M/s. B. G. Chowdhury & Co. have confirmed that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under section 141(3). The Audit Committee has also received a Certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to M/s. B. G. Chowdhury & Co., Cost Auditors for the Financial Year 2023-24 is included in the Notice convening the Annual General Meeting.

The cost audit report for the Financial Year 2021-22 was filed with the Ministry of Corporate Affairs on 31st August, 2022.

#### SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. MKB & Associates (Firm Registration Number:- P2010WB042700), a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith marked **Annexure-1**. The report is self-explanatory and do not call for any further comments.

#### REPORTING OF FRAUD

The Auditors of the Company have not reported any fraud as specified under section 143(12) of the Companies Act, 2013.

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, your Company has not made any investment or provided guarantee or security in connection with a loan to any person exceeding the limit specified in Section 186 of the Companies Act, 2013. Details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

#### RELATED PARTY TRANSACTIONS

All related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. In terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, there were no material contract or arrangement entered into by the Company with related parties as referred to in Section 188. Therefore, disclosure in Form AOC-2 is not applicable. However, the details of the transactions with the Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

## DIRECTORS' REPORT & MANAGEMENT DISCUSSION ANALYSIS (Contd.)

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval has been obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions. A policy on 'Related Party Transactions' has been devised by the Company which may be referred to at the Company's website at the web link at <http://shyamcenturyferrous.com/php/policies.php?pdf=Related-Party-Policy.pdf>.

### RESERVES

During the year under review no amount was transferred to reserves. However, in accordance with Section 69 of the Companies Act, 2013, during the year ended 31st March, 2023, the Company has created a Capital Redemption Reserve of ₹ 1,00,00,000 equal to the nominal value of Shares bought back as an appropriation from General Reserves.

### DIVIDEND

During the year under review your Board of Directors has declared and paid an Interim Dividend @ of 30% i.e. ₹ 0.30 each per equity share of face value of ₹ 1 each subject to deduction of Tax at source.

The Board of Directors of your Company after considering holistically the relevant circumstances and in order to conserve resources for future plans has decided that it would be prudent, not to recommend any Final Dividend for the Financial Year 2022-23 (Previous year NIL).

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated in section 134(3)(m) of the Act and rules framed there under is mentioned below:

#### (A) Steps taken toward Conservation of energy:

- 132KV 16/20MVA old power transformer replaced by new 132KV 25/30MVA power transformer resulted reduction in no load loss and to run all three furnaces with 100% loading capacity and increase the production quantity.

#### (B) Steps taken toward Technical Absorption:

- Furnace#1 shell new bricks and paste lining work has been done resulted to leakage arrest in tap hole side, reduce shutdown period & also improve the production quantity.
- Pump house old water pipe line replaced and new spare pump installed resulting water leakage arrested and to avoid shut down.

- Furnace #1 and Furnace #3 RCC bed casting done for Fesi hot metal in place of cast iron pan casting, resulted more thin cake to avoid dusting also less under size generation.
- Furnace #2 telfer car track modification done, resulted increasing of Nos of batches quantity and reducing feeding problem.
- Ground hopper No #1 modification done, resulted increase of volume of raw material feeding quantity and reduce raw material feeding timing

The Company has developed a Research & Development cell for carrying out R&D Projects in the plant with specific objective of development of advanced systems for quality improvement. During the year under review there was a Capital expenditure of NIL (PY ₹1.77 Lakhs) and no Revenue Expenditure in Research & Development.

#### (C) Foreign Exchange Earnings And Outgo:

During the period under review, Foreign Exchange Earning was NIL (Previous Year NIL) and Foreign Exchange Outgo was NIL (Previous Year NIL).

### CORPORATE SOCIAL RESPONSIBILITY INITIATIVES (CSR)

#### HEALTH CARE:

The initiatives were undertaken for organising health camps and contributions made towards Pradhan Mantri TB Mukh yojana.

#### ANIMAL WELFARE:

During the year financial assistance were provided for welfare of animals.

#### EDUCATION :

Contributions made towards promoting education and development of school.

The Committee is headed by Mr. Rajesh Kumar Agarwal, Director of your Company and consists of Members as stated below:

Name	Category	Chairman/ Members
Mr. Rajesh Kumar Agarwal	Non-Independent	Chairman
Mr. Aditya Vimalkumar Agrawal	Non-Independent	Member
Mr. Pramod Kumar Shah	Independent	Member

Annual Report on CSR as required to be annexed in terms of requirement of Section 135 of Companies Act, 2013 and rules framed thereunder is annexed herewith and marked **Annexure-2**.



**DIRECTORS' REPORT & MANAGEMENT DISCUSSION ANALYSIS (Contd.)**

The CSR Policy of the Company is available on the Company's website under the weblink: <http://shyamcenturyferrous.com/php/policies.php?pdf=SCFL-%20CSR%20policy.pdf>

**EVALUATION OF THE BOARD'S PERFORMANCE**

In compliance with the Companies Act, 2013 and as per Listing Obligations and Disclosures Requirements Regulations formulated by the Securities and Exchange Board of India (SEBI), the Company has adopted a policy for evaluation of performance of the Board of Directors. The Board follows a formal mechanism for the evaluation of the performance of the Board as well as Committee.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The Nomination and Remuneration Committee at its meeting established the criteria based on which the Board will evaluate the performance of the Directors.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Non-Independent Directors and Board as a whole was also carried out by the Independent Directors.

The Directors expressed their satisfaction over the evaluation process and results thereof.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

On the recommendation of the Nomination & Remuneration Committee, the Board of Directors at its meeting dated 17th May, 2022, appointed Mr. Sumanta Kumar Patra (DIN: 09607152), CEO as the Whole-Time Director of the Company with effect from 17th May, 2022 upto 16th May, 2025 which was duly approved by the shareholders of the Company by way of special resolution passed through postal ballot by way of voting through electronic means concluded on 25th July, 2022.

The appointment of Mr. Aditya Vimalkumar Agrawal (DIN: 03330313) as Managing Director, were duly approved by the shareholders of the Company by way of special resolution passed through postal ballot by way of voting through electronic means concluded on 25th July, 2022.

Mrs. Neha Agarwal resigned as Company Secretary & Compliance Officer and Key Managerial Personnel with effect from close of business hours of 26th May, 2022. The Board places on record its appreciation for the services rendered by

Mrs. Agarwal during her tenure as Company Secretary. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 17th May, 2022, appointed Mrs. Ritu Agarwal as the Company Secretary & Compliance Officer and Key Managerial Personnel of the Company with effect from 27th May, 2022.

In accordance with the provisions of Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Aditya Vimalkumar Agrawal (DIN: 03330313) will retire by rotation and being eligible, offers himself for re-appointment. In view of his considerable experience, your Directors recommend his re-appointment as Director of the Company.

**DECLARATION BY INDEPENDENT DIRECTORS**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and the Listing Regulations.

Mr. Nirmalya Bhattacharyya, Mrs. Plistina Dkhar and Mr. Pramod Kumar Shah are Independent Directors on the Board of your Company. In the opinion of the Board and as confirmed by these Directors, they fulfill the conditions specified in section 149 of the Act and the Rules made thereunder and the Listing Regulations about their status as Independent Director of the Company.

Your Board of Directors formed opinion that the Independent Directors of the Company are maintaining highest standard of integrity and possessing expertise, requisite qualifications and relevant experience in the fields of Administration, General management, Accounts & Finance, Audit, Internal Audit, Taxation, Risk, Board procedures, Governance etc., for performing their role as Independent Directors of the Company. Regarding proficiency, all Independent Directors have registered themselves in the Data Bank maintained with the Indian Institute of Corporate Affairs (IICA), Manesar. In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake online proficiency self-assessment test conducted by the IICA within a period of 2 (two) year from the date of inclusion of their names in the data bank. Mrs. Plistina Dkhar, Independent Directors is exempted from qualifying 'online proficiency test' due to her relevant experience in listed companies and the Companies with Paid up equity Capital is ₹ 10 Crore and more. Mr. Pramod Kumar Shah was appeared in 'online proficiency test' within the period of 1 (one) year from the date of inclusion of his name in the data bank and has successfully qualified the test. Mr. Nirmalya Bhattacharyya appeared in 'online proficiency test' within the period of 2 (two) years from the date of inclusion of his name in the data bank and has successfully qualified the test.



## DIRECTORS' REPORT & MANAGEMENT DISCUSSION ANALYSIS (Contd.)

### FAMILIARISATION PROGRAMME UNDERTAKEN FOR INDEPENDENT DIRECTORS

In order to enable the Independent Directors to perform their duties optimally, the Board has devised a familiarisation programme for the Independent Directors to familiarise them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. They are periodically updated about the development which takes place in the Company. The Independent Directors have been issued Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and commitments etc. The familiarisation program is available on the Company's website under the weblink: [http://shyamcenturyferrous.com/php/policies.php?pdf=familiarization\\_programme\\_for\\_independent\\_directors.pdf](http://shyamcenturyferrous.com/php/policies.php?pdf=familiarization_programme_for_independent_directors.pdf)

### SUBSIDIARY, ASSOCIATE AND JOINT VENTURE

The Company does not have any subsidiary, associate and joint venture.

### CHANGES IN NATURE OF BUSINESS, IF ANY

There has not been any change in the nature of business.

### DEPOSITS

During the year under report, the Company has not accepted any deposits from public or from any of the Directors of the Company or their relatives falling under ambit of Section 73 of the Companies Act, 2013.

### SIGNIFICANT MATERIAL ORDERS PASSED BY THE COURTS OR REGULATORS

- (i) The Director of Mineral resources, Meghalaya, Shillong vide its Demand notice dated 19th February, 2020 raised a demand against the Company for payment of royalty, MEPRF, VAT/GST for an amount of ₹ 1738.99 Lakhs in pursuance to the National Green Tribunal (NGT) order dated 17.01.2020 passed in O.A. No. 110 (THC)/2012 against the Company and other Cement and Power Companies in Meghalaya for alleged illegal coal procurement.

The Company has not purchased any illegal coal and has complied with all disclosure requirements of the various Government departments. The report of NGT Committee has been founded on the basis of assumptions and not on hard facts. The Company backed by the legal opinions, believed that it has a good case in the matter as the said order was issued on the basis of certain hypothetical assumptions and without giving any opportunity of being heard to the Company.

Accordingly, the Company had preferred an appeal before the Apex Court. The Apex court vide its order

dated 02.05.2023 remand back the file to the NGT, at the stage, at which they stood prior to the passing of the judgement dated 17.01.2020 and set aside the judgement dated 17.01.2020. As the matter is pending no provision has been made in the accounts. (Refer Note no. 42(b) of Notes to Accounts).

- (ii) In respect of demand letter received from Central Excise authority for refund of Education Cess and Secondary & Higher Education Cess amounting to ₹ 112.04 Lakhs, the Company has filed a writ petition before the Hon'ble Meghalaya High Court for quashing of demand notice, the Meghalaya High Court has stayed the said demand notice matter is now sub-judice and final hearing of the case is yet to be conducted, therefore, no provision have been taken in the books of account. No further development took place during the year. (Refer Note no. 42(a) of Notes to Accounts).

### MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes or commitments have occurred between the end of the financial year and the date of this Report which affect the financial statements of the Company in respect of the reporting year.

### CREDIT RATINGS

Your Company enjoys a sound reputation for its prudent financial management and its ability to meet financial obligations. CARE Ratings, has reaffirmed the Company's short-term rating to "CARE A3+" (pronounced CARE A three plus, outlook stable) and the long-term rating to "CARE BBB+, Stable" (pronounced as CARE Triple B Plus; Outlook: Stable).

### ADEQUACY OF INTERNAL FINANCIAL CONTROL

The Company maintains comprehensive internal control system, commensurate with the size of its operations and monitoring procedure for all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

The Board of Directors of the Company on the recommendation of the Audit Committee, re-appointed M/s. K. Baldawa & Co., Chartered Accountants, as the Internal Auditors of the Company for the Financial Year 2023-24 under section 138 of the Companies Act, 2013. M/s. K. Baldawa & Co., have confirmed about their re-appointment. The Internal Auditors periodically reviews the effectiveness and efficacy of Internal Control Systems and procedures. Audits are finalised and conducted based on internal risk assessments. Significant deviations from the standard procedures are brought to the notice of the Audit Committee/Board periodically and corrective measures are recommended for implementation.

**DIRECTORS' REPORT & MANAGEMENT DISCUSSION ANALYSIS (Contd.)**

All these steps facilitate timely detection of any irregularities, frauds and errors and early remedial measures to be undertaken so that no monetary losses are sustained. Significant audit observations, if any, and corrective actions thereon are presented to the Audit Committee of the Board.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity

of its operations. During the year, such controls were tested and no reportable material weakness in the design or operations were observed. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, 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.

**DETAILS OF SIGNIFICANT CHANGES (I.E., CHANGES OF 25% OR MORE) IN KEY FINANCIAL RATIO AND CHANGE IN RETURN ON NETWORTH ALONGWITH DETAILED EXPLANATIONS**

Key Financial Ratios	FY 22-23	FY 21-22	% change	Explanation for significant changes
Debtors Turnover ratio	5.68	5.91	(3.96)	NA
Inventory Turnover ratio	4.98	5.96	(16.46)	NA
Interest Coverage ratio	34.58	38.21	(46.89)	Due to lower margin.
Current ratio	8.19	10.72	(23.60)	NA
Debt Equity ratio	-	0.002	(100)	Due to repayment of Car Loan.
Operating Profit Margin (%)	0.16	34.66	(52.49)	Due to lower realisation and increase in raw materials cost.
Net Profit Margin	0.15	0.27	(46.33)	Due to lower realisation and increase in raw materials cost.
Return on Net Worth	0.17	0.33	(48.98)	Due to payment of Buyback of Share and Interim Dividend.

**MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES**

The disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 along with a statement containing particulars of employees as required under Section 197 of Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith and marked **Annexure- 3** and forms part of this report.

**DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016, during the year under review.

**DETAILS OF DIFFERENCE IN VALUATION**

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from

the Banks or Financial Institutions along with the reasons thereof, is not applicable.

**POLICY ON PREVENTION OF SEXUAL HARASSMENT**

The Company values the integrity and dignity of its employees. The Company has put in place a 'Policy on Prevention of Sexual Harassment' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act") and has constituted the Committee with internal and external members. We affirm that adequate access has been provided to any complainants who wish to register a complaint under the policy. No complaint was received during the year.

**CORPORATE GOVERNANCE**

The Company has complied with the corporate governance requirements as stipulated under the Listing Obligations and Disclosures Requirements Regulations formulated by the Securities and Exchange Board of India (SEBI). A separate section on corporate governance, along with a certificate from the auditors confirming the compliance, is annexed and forms part of the Annual Report. This certificate will be forwarded to the Stock Exchanges along with the Annual Report of the Company.

## DIRECTORS' REPORT & MANAGEMENT DISCUSSION ANALYSIS (Contd.)

### CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

As required under Regulation 17(8) of the Listing Obligations and Disclosures Requirements Regulations formulated by the Securities and Exchange Board of India (SEBI), the CEO and CFO certification has been submitted to the Board and a copy thereof is contained in this Annual Report.

### RISK MANAGEMENT

Risk management refers to the practice of identifying potential risks in advance, analysing them and taking precautionary steps to reduce the risk. The Company has evolved a risk management framework to identify, assess and mitigate the key risk factors of the business. The Board of the Company is kept informed about the risk management of the Company.

### HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATIONS

The Company has always provided a congenial atmosphere for work to all sections of society. It has provided equal opportunities of employment to all irrespective to their caste, religion, color, marital status and sex. The Company believes that human capital of the Company is its most valuable assets and its human resource policies are aligned towards this objective.

The Company focuses on enhancing organisational performance by focusing on quick grievance resolution mechanisms and maintaining cordial relations with employees and workmen across all levels. The relation amongst its employees remained harmonious and the year under review remained free from any labor unrest.

During the year under review, there has not been any material changes in human resources and industrial relations.

### GREEN INITIATIVES IN CORPORATE GOVERNANCE

Ministry of Corporate Affairs has permitted Companies to send copies of Annual report, Notices, etc., electronically to the email IDs of shareholders. Your Company has arranged to send the soft copies of these documents to the registered email IDs of the shareholders, wherever applicable. In case,

any shareholder would like to receive physical copies of these documents, the same shall be forwarded upon receipt of written request in this respect.

The Ministry of Corporate Affairs has taken '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 for the financial year 31st March, 2023. A newspaper advertisement in this regard is being published.

### CAUTIONARY STATEMENT

Statements in this report describing the Company's objectives, expectations or predictions, may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include: global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their cost, changes in government policies and tax laws, economic development of the country, our business, the businesses of our customers, vendors and partners and other factors which are material to the business operations of the Company.

### ACKNOWLEDGEMENT

Your Directors take this opportunity to express their deep sense of gratitude to the Banks, Central and State Governments and their departments and the Local Authorities, Customers, Vendors, Business partners/associates and Stock Exchanges for their continued guidance and support.

Your Directors would also like to place on record their sincere appreciation for the commitment, dedication and hard work put in by every member of the Company and recognise their contribution towards Company's achievements. Your directors express their gratitude to the shareholders of the Company for reposing their confidence and trust in the Management of the Company.

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

Place: Kolkata

Date: 19th May, 2023

**Rajesh Kumar Agarwal**

Director

(DIN: 00223718)

**Aditya Vimalkumar Agrawal**

Managing Director

(DIN: 03330313)

**Annexure-1**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

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

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

To  
The Members,

**SHYAM CENTURY FERROUS LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHYAM CENTURY FERROUS 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.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the 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 authorised representatives during the conduct of secretarial audit and considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India due to COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2023, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;
- v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India

Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:

- a) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011
- b) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations 2015
- c) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
- e) The Securities & Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- f) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021
- h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018
- i) The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws/acts are also, inter alia, applicable to the Company:
  - a) The Boilers Act, 1923
  - b) The Environment (Protection) Act, 1986
  - c) The Water(Prevention and Control of Pollution) Act, 1974
  - d) The Air(Prevention and Control of Pollution) Act, 1981
  - e) The Meghalaya Forest Act, 1973)

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that :

- a) The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Regulations. Pursuant to resignation of Mr. Venkata Krishna Nageswara Rao Majji, Non-Executive Director with effect from 1st March, 2022, the Company has appointed Mr. Sumanta Kumar Patra, Chief Executive Officer of the Company as the Whole-Time Director w.e.f. 17th May, 2022.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

We further report that the offer for buyback of equity shares of the Company was approved by shareholders of the Company

on 14th September, 2022. Under the offer the Company has bought back 1,00,00,000 Equity Shares at a total sum of ₹ 2,800 Lakhs excluding company's transaction cost such as brokerage, buyback Tax, STT, GST, stamp duty and other related expenses. All the shares bought back have been extinguished.

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

We further report that during the audit period, the Company has passed the following special resolutions :

- a. appointment of Mr. Sumanta Kumar Patra (DIN: 09607152), CEO as Whole-Time Director and CEO of the Company for a period of 3 years with effect from 17th May, 2022 to 16th May, 2025.
- b. appointment of Mr. Aditya Vimal Kumar Agrawal (DIN: 03330313), as Managing Director for a period of 3 years with effect from 1st November, 2021 to 30th October, 2024.
- c. approval for the Buyback of shares by the Company of its fully paid up 1,00,00,000 Equity Shares at a price of ₹ 28 per equity share on a proportionate basis

This report is to be read with our letter of even date which is annexed as **Annexure – I** which forms an integral part of this report.

**For MKB & Associates**

Company Secretaries

Firm Reg No: P2010WB042700

**Raj Kumar Banthia**

Partner

Membership no. 17190

COP no. 18428

Date: 19th May, 2023

Place: Kolkata

UDIN: A017190E000339391



To  
The Members,

**SHYAM CENTURY FERROUS LIMITED**

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process 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's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. 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 MKB & Associates**

Company Secretaries  
Firm Reg No: P2010WB042700

**Raj Kumar Banthia**

Partner  
Membership no. 17190  
COP no. 18428

Date: 19th May, 2023  
Place: Kolkata  
UDIN: A017190E000339391

**Annexure-2****REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES/ INITIATIVES***[Pursuant to Section 135 of the Act & Rules made thereunder]***1. A BRIEF OUTLINE ON THE COMPANY'S CSR POLICY:**

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and as per The Companies (Corporate Social Responsibility Policy) Rules, 2014 as and when amended. The main objective of the policy is to establish the basic principles and the general framework of action for management to undertake and fulfil its Corporate Social Responsibility.

**2. THE COMPOSITION OF THE CSR COMMITTEE:**

Sl. No.	Name of 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	Mr. Rajesh Kumar Agarwal	Chairman (Non-Executive Director)	2	2
2	Mr. Aditya VimalKumar Agrawal	Member (Managing Director)	2	2
3	Mr. Pramod Kumar Shah	Member (Independent Director)	2	2

**3. PROVIDE THE WEB-LINK(S) WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:**

The Composition of CSR Committee, CSR Policy and CSR projects as approved by the Board are available on the Company's website under the following web-link:

<b>CSR Committee</b>	<a href="http://shyamcenturyferrous.com/php/board_committee_structure.php?pdf=Composition_of_Board_Committee_Structure.pdf">http://shyamcenturyferrous.com/php/board_committee_structure.php?pdf=Composition_of_Board_Committee_Structure.pdf</a>
<b>CSR Policy</b>	<a href="http://shyamcenturyferrous.com/php/policies.php?pdf=SCFL-%20CSR%20policy.pdf">http://shyamcenturyferrous.com/php/policies.php?pdf=SCFL-%20CSR%20policy.pdf</a>
<b>CSR Projects</b>	

**4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH THE WEB-LINK(S) 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, AS AMENDED, IF APPLICABLE (ATTACH THE REPORT):** Not Applicable

5. (a) Average Net Profit of the Company for last 3 financial year as per section 135(5): ₹ 2,587.12 Lakhs  
 (b) Two percent of average net profit of the Company as per section 135(5): ₹ 51.74 Lakhs  
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial year: NIL  
 (d) Amount required to be set off for the financial year, if any: NIL  
 (e) Total CSR obligation for the financial year (b+c-d): ₹ 51.74 Lakhs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 53.40 Lakhs  
 (b) Amount spent in Administrative Overheads: Nil  
 (c) Amount spent on Impact Assessment, if applicable: Nil  
 (d) Total amount spent for the Financial Year (a+b+c): ₹ 53.40 Lakhs  
 (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 53.40 Lakhs	NIL				

(f) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹ in Lakhs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per section 135(5)	51.74
(ii)	Total amount spent for the Financial Year	53.40
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	1.66
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Year, if any	Nil
(v)	Amount available for set off in succeeding Financial Year [(iii)-(iv)]	1.66

7. (a) Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(5), if any		Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
					NIL			
	Total							

8. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR: NOT APPLICABLE

Yes  No

If yes, enter the number of Capital assets created/ acquired

Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

Sl. No.	Short particulars of the property or asset (s) (including complete address and location of the property)	Pincode of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address

(Note: All the fields should be captured as appearing in the revenue record, flat no., house no., Municipal Office/Municipal Corporation/Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PERCENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5): Not Applicable

For and on behalf of the Board of Directors

**Rajesh Kumar Agarwal**  
Director  
(DIN: 00223718)  
Chairman – CSR Committee

**Aditya Vimalkumar Agrawal**  
Managing Director  
(DIN: 03330313)

Place: Kolkata  
Date: 19th May, 2023

**Annexure-3****PARTICULARS OF MANAGERIAL REMUNERATION**

**Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- (i) **The ratio of the remuneration of each Director to the median remuneration of the employees and percentage increase in remuneration of the Directors and Key Managerial Personnel of the Company for the financial year:**

Name of Directors & Key Managerial Personnel	Designation	Increase in Remuneration in the financial year (%)	Ratio of remuneration of each director to median remuneration of all employees*
Mr. Aditya Vimalkumar Agrawal	Managing Director	NIL	16.17:1
Mr. Sumanta Kumar Patra	Whole-time Director & Chief Executive Officer	12.32	13.40:1
Mr. Uday Bahadur Chetri	Chief Financial Officer	10.93	6.27:1
Mrs. Ritu Agarwal**	Company Secretary (appointed w.e.f. 27th May, 2022)	-	-

\* None of the Non-Executive Directors receive any remuneration from the Company and the Independent Directors are paid only sitting fees for attending the meeting of the Board or Committee thereof.

\*\*Since this information is for the part of the financial year 2022-23, the same is not comparable.

- (ii) **Percentage increase in the median remuneration of employees in the Financial Year:** 8.73%
- (iii) **The number of permanent employees on the rolls of the Company:** 136
- (iv) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**  
The average percentile increase in the salaries of non-managerial employees in the Financial Year 2022-23 was 10.5% while the average percentile increase of Aditya Vimalkumar Agrawal is NIL.
- (v) **It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.**

## STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO THE SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sl. No.	Name of the Employees	Designation	Remuneration Received (₹ in Lakhs)	Nature of Employment	Qualification	Experience (Years)	Date of commencement of employment	Age (Years)	Last Employment	% of Equity Share held in the Company	Relation with Director, if any
1	Mr. Sumanta Kumar Patra	Chief Executive Officer - General Manager (F&A)	24.36	Permanent	D. E.E + HSLC	22	22nd November, 2012	43	M/s Platinum Alloys Private Limited	Nil	None
2	Mr. Uday Bahadur Chetri	Chief Financial Officer – Manager (F&A)	11.40	Permanent	MBA	21	9th June, 2021	46	M/s TCPL Packaging Limited	Nil	None
3	Mr. Moida Ramakrishna	Advisor HR	10.59	Permanent	M.A.B.L. PG Dip PM, (NIPM)	41	6th November, 2015	65	M/s Facor Alloys Limited	Nil	None
4	Mr. Uttam Kr. Mahanta	Dy. Manager (Production)	8.05	Permanent	B.Sc.	21	8th January, 2013	42	M/s Anjaney Alloys Limited.	Nil	None
5	Mr. Sandip Purkayastha	Assistant Manager (Stores)	6.90	Permanent	B.Sc.	22	14th January, 2013	47	M/s Shree Shakambari Ferro Alloys Private Limited	Nil	None
6	Ms. Ritu Agarwal	Company Secretary	6.84	Permanent	B.Com+CS	9	27th May, 2022	35	M/s Luxmi Tea Company Private Limited	Nil	None
7	Mr. Ajit Singh	Manager (Laboratory)	6.50	Permanent	B.Sc.	10	1st February, 2013	48	M/s. Platinum Alloys Limited.	Nil	None
8	Mr. S. Sunil Acharya	Engineer (Captive Power Plant)	6.24	Permanent	I.T.I (Fitter) 2nd class boiler Attendant	15	19th May, 2008	43	Enmas O & M	Nil	None
9	Mr. Susanta Kr. Nalla	Senior Accounts Officer	6.01	Permanent	B.Com, LLB	26	1st March, 2013	56	Reliance Communication Private Limited.	Nil	None
10	Mr. Sarat Chandra Singha	Senior Electrical Engineer	4.98	Permanent	Diploma in Electrical Engineering	21	1st October, 2007	53	Dharampal Satyapal Limited.	Nil	None

For and on behalf of the Board of Directors

**Rajesh Kumar Agarwal**  
Director  
(DIN: 00223718)

**Aditya Vimalkumar Agrawal**  
Managing Director  
(DIN: 03330313)

Place: Kolkata  
Date: 19th May, 2023



# REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2022-23

The Directors present the Company's Report on Corporate Governance:

## Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance is to enhance the long-term economic value of the Company at large and its stakeholders. It emphasizes the need for full transparency, accountability and compliances with laws and regulations in all its transactions and interactions with its stakeholders, employees, lenders and the Government etc., without compromising the environment and health of society at large. Your Company has complied with the requirements of Corporate Governance as laid down under SEBI Regulations.

## BOARD OF DIRECTORS

### Composition

As on the date of this report, the Board consists of Six Directors out of which two are Executive Directors, one is Non-Executive Director and three are Independent Directors out of which one is a woman Director. The Board members are expert in different disciplines of corporate working. The Independent Directors are expert professionals with high credentials and actively contribute in the deliberations of the Board.

None of the Directors is a member of the Board of more than twenty Companies or a Member of more than ten

Board-level Committees or a Chairman of more than five such Committees. Further, none of the Directors is a member of the Board in more than seven listed entities and Independent Directors of the Company are not serving as an Independent Director in more than seven listed entities. None of the Managing Directors of the Company are serving as an Independent Director in not more than three listed entities.

Mr. Sumanta Kumar Patra, is the Chief Executive Officer and Wholetime Director of the Company.

Mr. Uday Bahadur Chetri is the Chief Financial Officer of the Company.

The Composition is as provided below:

Name of the Directors	Designation	Category
Mr. Aditya Vimalkumar Agrawal	Managing Director	Executive
Mr. Rajesh Kumar Agarwal	Director	Non-Executive
Mrs. Plistina Dkhar	Director	Independent
Mr. Pramod Kumar Shah	Director	Independent
Mr. Nirmalya Bhattacharyya	Director	Independent
Mr. Sumanta Kumar Patra*	Wholetime Director and CEO	Executive

\* Mr. Sumanta Kumar Patra, Chief Executive Officer of the Company was appointed as whole-time Director of the Company w.e.f. 17th May, 2022.

## Directorship, Committee membership and Chairmanship

The details as at 31st March, 2023 of each member of the Board along with the number of Directorship(s)/Committee Membership(s) and Committee Chairmanship/ name of listed entities where he/she is a Director and category of Directorship as on date of this report are provided herein below:

Name of the Director	Number of Directorship of other Public Limited Companies *	Number of Membership including Chairmanship of Board Committee(s) **	Name of listed entities where he/she is a Director and category of Directorship
Mr. Aditya Vimalkumar Agrawal	3	-	-
Mr. Rajesh Kumar Agarwal	9	2	Century Plyboards (India) Limited - Whole-time Director
Mr. Pramod Kumar Shah	9	8 (4 as Chairman)	Skipper Limited – Independent Director Star Cement Limited- Independent Director
Mrs. Plistina Dkhar	3	-	Star Cement Limited – Independent Director
Mr. Nirmalya Bhattacharyya	3	2 (2 as Chairman)	Star Cement Limited- Independent Director
Mr. Sumanta Kumar Patra	-	-	-

\* Includes Private Companies which are subsidiaries of Public Limited Companies, Unlimited Liability Companies, Companies registered under Section 8 of the Companies Act, 2013, Membership of Managing Committees of Chambers of Commerce/ Professional Bodies but excludes Foreign Companies.

\*\* Only Audit Committee and Stakeholders' Relationship Committee have been considered as per SEBI Regulations.

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2022-23 (Contd.)

**The list of core skills/ expertise/competencies as identified by the Board of Directors as required in the context of business and sector for it to function effectively and those actually available with the Board of Directors**

Industry, Leadership, Accounts & Finance, Taxes, Production, Technical, Logistics, Legal, Sales, Marketing, Branding, Risks, Administration, General Management, Board procedures and Governance.

**List of Directors possessing the aforesaid skills/expertise and competencies:**

Name of Directors	Skills/Expertise and Competencies
Mr. Aditya Vimalkumar Agrawal	Administration and General Management, Industry, Accounts & Finance, Production, Technical, Logistics, Sales, Marketing, Board procedures and Governance
Mr. Rajesh Kumar Agarwal	Industry , Accounts & Finance and Audit & Internal Audit, Taxation, Risk , Board procedures and Governance etc.
Mr. Pramod Kumar Shah	Accounts & Finance and Audit & Internal Audit, Taxation, Risk, Board procedures, Governance etc.
Mrs. Plistina Dkhar	Administration and General management, Board procedures, Governance etc.
Mr. Nirmalya Bhattacharyya	Administration, Banking, Personality Development, Human Behaviours
Mr. Sumanta Kumar Patra	Administration, Planning, Co-Ordination, Technical And Commercial Aspects

In the opinion of the Board of Directors, the Independent Directors fulfill the conditions specified in the listing regulations and are independent of the management.

**Board Meetings and Procedures**

The Board meets at regular intervals to discuss and decide on the policies and strategies with respect to the business of the Company apart from normal business. The Board generally meets at least once in every quarter to review the Quarterly results. Additional meetings are held as and when necessary.

All the meetings are scheduled well in advance and notices are sent to all the Directors at their address registered with the Company. The agenda of the meeting are backed by necessary supporting information and documents to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Board Committees for the information of the Board. Additional agenda items in the form of "Other Business" are included with the permission of the Chairman and consent of the members. Drafts minutes of the proceedings of the Board/Committee Meetings are circulated in advance and comments, if any, received from the Directors are incorporated in the minutes in consultation with the Chairman. The Board periodically reviews compliance reports of all laws applicable to the Company. Information about major events/items is placed before the Board and approval of the Board is taken on all such matters wherever such approval is required. Senior executives of the Company are invited as and when required to provide additional inputs or clarifications required on agenda items being discussed in the Board Meeting.

**Number and dates of Board Meetings held during the year**

Five (5) Board Meetings were held during the Financial Year 2022-23 and the gap between two meetings did not exceed four months. The Meetings were held on 17th May, 2022; 2nd August, 2022; 11th August, 2022, 14th November, 2022

and 3rd February, 2023. Attendance at the Board Meetings during the Financial Year 2022-23 and at the previous Annual General Meeting is as under:

Name of Director	No. of Board Meeting Attended	Last AGM Attended
Mrs. Plistina Dkhar	1	No
Mr. Rajesh Kumar Agarwal	4	Yes
Mr. Aditya Vimalkumar Agrawal	5	Yes
Mr. Pramod Kumar Shah	5	No
Mr. Nirmalya Bhattacharyya	5	Yes
Mr. Sumanta Kumar Patra	2	Yes

**Separate Meeting of Independent Directors**

As stipulated by the Code for Independent Directors under the Companies Act, 2013 and the Listing Regulations, separate meetings of the Independent Directors of the Company were held on 17th March, 2023, to review the performance of Non-Independent Directors and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and Committees, which is necessary to effectively and reasonably perform and discharge their duties.

**Induction and Familiarisation Program for Directors**

As per the Listing Regulations, the Company shall provide suitable training to the Directors to familiarise them with the Company, nature of the industry in which the Company operates etc. The members of the Board of Directors are well acquainted with the industry and are provided necessary

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2022-23 (Contd.)

reports, documents and other presentations including interactive session with CEO and other heads of the Company. Efforts are made to familiarise the Directors about their roles, rights, and responsibilities. The Directors are regularly updated on the changes in policies, laws and regulations and other developments in the business. The details of the Director's induction and familiarisation are available on the Company's website at [http://shyamcenturyferrous.com/php/policies.php?pdf=familiarization\\_programme\\_for\\_independent\\_directors.pdf](http://shyamcenturyferrous.com/php/policies.php?pdf=familiarization_programme_for_independent_directors.pdf)

### Performance Evaluation

Pursuant to the provisions of the Act and the SEBI Regulations, the Board has carried out the annual performance evaluation of its own performance, as well as the evaluation of the working of its Committees. A structured questionnaire for evaluation was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgement. The performance evaluation of the Non-Independent Directors and Board as a whole was also carried out by the Independent Directors.

The results of the Evaluation were shared with the Board, Chairman of respective Committees and individual Directors. The Directors expressed their satisfaction over the evaluation process.

### Resume of Directors proposed to be re-appointed/ appointed

The brief resume of Directors retiring by rotation and seeking re-appointment/appointment is appended in the notice convening the Annual General Meeting.

### COMMITTEES OF THE BOARD

Currently, the Board has five Committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Finance Committee. The terms of reference of these Committees are determined by the Board and subject to be reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all members of Committee individually and tabled at the Board Meetings.

### AUDIT COMMITTEE

The Audit Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and the Listing Regulations. The Committee is responsible for the effective supervision of the financial reporting processes to ensure accurate, timely, and proper disclosures and transparency, integrity and quality of financial reporting.

The terms of reference of the Audit Committee are broadly inter alia as follows:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report
  - v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- vi. Reviewing, with the management, the statement of uses /application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2022-23 (Contd.)

- 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. Valuation of undertakings or assets of the Company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. Discussion with internal auditors of any significant findings and follow up there on;
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit, audit observations as well as post-audit discussion to ascertain any area of concern;
- xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii. To review the functioning of the Whistle Blower mechanism;
- xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- xx. To review utilisation of loans and/ or advances by holding company in subsidiary companies exceeding ₹ 100.00 Crore or 10% of asset size of subsidiary whichever is lower.
- xxi. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

**Composition, number of Meetings and Attendance**

The Audit Committee met five (5) times during the Financial Year 2022-23. The Audit Committee's composition meets

the requirements of Section 177 of the Companies Act, 2013 and SEBI Regulations. The Members of the Audit Committee possess financial/accounting expertise/exposure. The meetings were held on 17th May, 2022, 2nd August, 2022, 11th August, 2022, 14th November, 2022 and 3rd February, 2023.

The Audit Committee comprises of the following members and the details of meetings attended by the Directors are as under:

Name	Category	Designation	No. of Committee Meetings attended
Mr. Pramod Kumar Shah	Non-Executive Independent	Chairman	5
Mr. Aditya Vimalkumar Agrawal	Executive Director	Member	5
Mr. Nirmalya Bhattacharyya	Non-Executive Independent	Member	5

Audit Committee meetings are attended by the Chief Executive Officer, Chief Financial Officer of the Company and Representatives of Statutory Auditors and Internal Auditors are invitees for the relevant meetings. The Company Secretary acts as the Secretary of the Audit Committee.

**NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee determines on behalf of the Board and shareholders as per agreed terms of reference, the Company's policy on specific remuneration packages for Executive Directors, Key Managerial Personnel and other employees. The Chairman of the Committee is an Independent Director and the Members of the Committee are Non-Executive Directors.

The broad terms of reference of the Committee inter alia are as follows:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- ii. Formulation of criteria for evaluation of performance of Directors
- iii. Devising a policy on Board diversity;
- iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2022-23 (Contd.)

- v. Recommending/reviewing remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
- vi. To recommend all remuneration payable to Senior Management in whatever form.

### Remuneration Policy

The Company has formulated a remuneration policy with a focus on attracting talent and rewarding performance based on review of achievements.

The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "Executives"). The expression "senior management" shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the Chief Executive Officer/Managing Director/Whole time Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer.

The remuneration to be paid to the Executive Directors, if any, shall be recommended by the Nomination & Remuneration Committee based on the Net Profits of the Company which are then approved by the Board of Directors of the Company and the Shareholders of the Company in their respective meetings. The remuneration to be paid to the Executive Directors was determined and based on the industry benchmark, performance of the Company to the industry performance. Independent Non-Executive Directors are appointed for their performance expertise in their individual capacity as individual Professionals/Business Executives. Independent Non-Executive Directors are paid sitting fees for attending Board/Committee Meetings.

The appointment of the Executive Directors, if any is governed by the resolutions passed by the Board and shareholders. The service agreement is entered into with them. There

is no provision for payment of severance fee under the resolutions governing appointment of Executive Directors. A notice period of three months is required to be given by the Executive Director seeking to vacate the office. The Company has no stock option plans and such option is not included in the remuneration package. During the year under review, none of the Directors was paid any bonus, pension or performance bonus. Formal appointment letter is issued to the Independent Directors and the terms and conditions of the appointment of Independent Directors is available on the website of the Company. The Nomination & Remuneration Committee to recommend all remuneration payable to the Senior Management.

The Remuneration Policy of the Company is available on the Company's website at: <http://shyamcenturyferrous.com/php/policies.php?pdf=Remuneration-policy.pdf>

### Composition, number of Meetings and Attendance

The composition of the Nomination and Remuneration Committee is in accordance with the regulatory requirements specified by Section 178 of the Companies Act, 2013 and the Listing Regulations. The Company Secretary acts as Secretary to the Committee. The Remuneration Committee meetings was held on 17th May, 2022 during the Financial Year 2022-23.

The composition of the Nomination and Remuneration Committee and the details of meetings attended by the Directors are as under:

Name of the Member	Category	Designation	No. of Committee Meetings Attended
Mr. Nirmalya Bhattacharyya	Independent, Non-Executive	Chairman	1
Mr. Pramod Kumar Shah	Independent, Non-Executive	Member	1
Mr. Rajesh Kumar Agarwal	Non – Independent, Non-Executive	Member	1

### Remuneration of Directors

The details of remuneration paid to Directors for the Financial Year 2022-23 are provided below:

Sl. No.	Name of the Director	Designation	Salary (₹)	Sitting Fees (₹)	No. of shares held as on 31st March, 2023
1	Mr. Aditya Vimalkumar Agrawal	Managing Director	50,00,000	Nil	38,25,790
2	Mr. Rajesh Kumar Agarwal	Non-Executive Director	Nil	Nil	30,27,062
3	Mr. Pramod Kumar Shah	Independent Director	Nil	1,60,000	Nil
4	Mrs. Plistina Dkhar	Independent Director	Nil	10,000	750
5	Mr. Nirmalya Bhattacharyya	Independent Director	Nil	1,75,000	Nil
6	Mr. Sumanta Kumar Patra	Whole-time Director & CEO	24,35,698	-	Nil



REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2022-23 (Contd.)

**STAKEHOLDERS' RELATIONSHIP COMMITTEE**

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the SEBI Regulations, the Board has constituted "Stakeholders' Relationship Committee".

The Committee's responsibility is to oversee Share Transfers and addressing to and redressal of shareholders' grievances etc. The Committee also evaluates performance and service standards of the Registrar and Share Transfer Agents of the Company.

The terms of reference of the Committee includes:

- i. Review the process and mechanism of redressal of investor grievance and suggest measures of improving the system of redressal of investor grievances.
- ii. Consider and approve all requests from shareholders regarding transfer & transmission of shares, issue of duplicate share certificate, consolidation of shares, demat, remat, split & folio consolidation etc.
- iii. Review and resolve the pending investors complaints, if any, relating to transfer of shares, non-receipt of share certificate(s), non-receipt of interest dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- iv. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolve them.
- v. To review measures for effective voting rights, adherence to service standards adopted by the Registrars & Share Transfer Agent and measures undertaken for reducing quantum of unclaimed dividend.

The Composition of the Stakeholders Relationship Committee and the details of the meeting attended by the members are given below:

Name of the Member	Category	Designation	No. of Committee Meetings attended
Mr. Rajesh Kumar Agarwal	Non-Executive, Non – Independent	Chairman	4
Mr. Aditya Vimalkumar Agrawal	Managing Director	Member	4
Mr. Nirmalya Bhattacharyya	Non-Executive, Independent	Member	3

The Company Secretary acts as Secretary to the Committee.

**Meetings and Attendance**

During the Financial Year 2022-23, the Stakeholders Relationship Committee met four times on 25th August, 2022, 23rd November, 2022, 2nd January, 2023 and 10th March, 2023.

**Status of Pending Complaints**

The Company has not received any Complaints during the Financial Year 2022-23. There were no complaints pending at the beginning and at the end of the Financial Year. However, during the year under review letters on various matters were received and were duly addressed.

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Company has constituted Corporate Social Responsibility Committee (CSR) as required under section 135 of the Companies Act 2013. The Committee consists of three Directors out of which one Director is an Independent Director.

The terms of reference of the Committee are as follows:

- i. To formulate and recommend to the Board a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- ii. To formulate and recommend to the Board an annual action plan in pursuance of CSR Policy.
- iii. To recommend the amount of expenditure to be incurred on CSR activities
- iv. To oversee that Company's CSR Implementing Agencies are registered with the Ministry of Corporate Affairs.

The Corporate Social Responsibility Committee comprises of the following three members and details of the meeting attended by them are given below:

Name of the Member	Category	Designation	No. of Committee Meetings attended
Mr. Rajesh Kumar Agarwal	Non-Executive, Non-Independent	Chairman	2
Mr. Pramod Kumar Shah	Non-Executive, Independent	Member	2
Mr. Aditya Vimalkumar Agrawal	Managing Director	Member	2

The Company Secretary acts as Secretary to the Committee.

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2022-23 (Contd.)

### Meetings and Attendance

The Corporate Social Responsibility Committee met twice on 17th May, 2022 and 2nd February, 2023 during the Financial Year 2022-23. All the Members of the Committee attended the meeting.

The CSR Policy of the Company is available on the Company's website at: <http://shyamcenturyferrous.com/php/policies.php?pdf=SCFL-%20CSR%20policy.pdf>

**There was no instances where recommendations of the Committee not accepted by the Board of Directors.**

### FINANCE COMMITTEE

The Company has constituted a Finance Committee. The Finance Committee deals within the terms of reference defined by the Board and ensures their expeditious implementation.

The terms of reference of the Committee are as follows:

- i. To approve the opening of and modification in operation of bank accounts, including closure thereof.
- ii. Borrow money by way of loan for the purpose of financing new projects, refinancing the existing debt, capital expenditure, general corporate purposes including working capital requirements and possible strategic investments and take necessary actions connected therewith.
- iii. Provide corporate guarantee/performance guarantee from the Company for credit facilities availed by its subsidiaries or by any other entity.
- iv. Opening, modification and closure of trading and demat accounts required for securities, derivatives and all other Options.
- v. Monitoring of loans and advances granted by the Company as approved by the Board of Directors from time to time.
- vi. Approve availing of online banking facilities in all forms including but not limited to viewing rights, transaction rights, application for Letters of Credit, Bank Guarantees, Buyers Credit and carry out all trade related transactions through internet.
- vii. Take decisions in connection with any arrangement, document or matter necessary, ancillary, incidental or desirable to give effect to all its powers and authority.
- viii. Any other financial issues or other matters, whether out of and incidental to these functions or not, as may be assigned by the Board.

The Finance Committee comprises of the following three members and details of the meeting attended by them are given below:

Name of the Member	Category	Designation	No. of Committee Meetings attended
Mr. Rajesh Kumar Agarwal	Non-Executive, Non-Independent	Member	-
Mr. Aditya Vimalkumar Agrawal	Non - Executive, Non-Independent	Member	-
Mr. Pramod Kumar Shah	Non-Executive, Independent	Member	-

The Company Secretary acts as Secretary to the Committee.

### Meetings and Attendance

During the year under review no meeting of finance committee was held.

### VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Board of Directors of the Company has adopted a Vigil Mechanism Policy. This mechanism provides a tool in the hands of Employees and Directors to report to the Management, concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy, leakage of unpublished price sensitive information etc., The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

### GENERAL BODY MEETINGS

#### Particulars of last three Annual General Meetings:

Financial Year	Venue	Date and time
FY 21-22	Through Video Conferencing, Deemed Venue: Village: Lumshnong, P.O. Khaliehriat, Dist.: East Jaintia Hills, Meghalaya-793 210	27th September, 2022 at 02.00 p.m.
FY 20-21	Through Video Conferencing, Deemed Venue: Village: Lumshnong, P.O. Khaliehriat, Dist.: East Jaintia Hills, Meghalaya-793 210	30th September, 2021 at 2:00 p.m.

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2022-23 (Contd.)

Financial Year	Venue	Date and time
FY 19-20	Through Video Conferencing, Deemed Venue: Village: Lumshnong, P.O. Khaliehriat, Dist.: East Jaintia Hills, Meghalaya-793 210	29th September, 2020 at 4:00 p.m.

**Details of Special Resolution passed in the last three Annual General Meeting:**

AGM	Date	Matter
9th	29th September, 2020	NIL
10th	30th September, 2021	<ol style="list-style-type: none"> <li>Appointment of Mr. Nirmalya Bhattacharyya as an Independent Director.</li> <li>Place for keeping register of Members and copies of annual return etc., other than Registered Office of the Company.</li> <li>Giving Loans/ Guarantees or providing securities for and on behalf of Companies and / or making investments in Companies.</li> <li>Enhancement of Borrowing Power.</li> <li>Creation of charges or mortgages and hypothecations.</li> </ol>
11th	27th September, 2022	NIL

**Details of Special Resolution passed through Postal Ballot:**

The Company had sought approval of the shareholders by way of Special Resolutions through notice of postal ballot dated May 17, 2022 for the following resolutions:

- Appointment of Mr. Sumanta Kumar Patra (DIN: 09607152), as a Director of the Company
- Appointment of Mr. Sumanta Kumar Patra (DIN: 09607152), Chief Executive Officer (CEO) as Whole-time Director and CEO
- Appointment of Mr. Aditya Vimalkumar Agrawal (DIN: 03330313) Director, as Managing Director of the Company

The above resolutions were duly passed and the results of which were announced on July 25, 2022. The Company extended remote e-voting facility through National Securities Depository Limited (NSDL). Md. Shahnawaz (Membership

No. ACS 21427 and Certificate of Practice No. 15076) of M Shahnawaz and Associates, Practicing Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner. The voting pattern on the said resolution is as under:  
Resolution 1: Appointment of Mr. Sumanta Kumar Patra (DIN: 09607152), as a Director of the Company:

- % of votes cast in favour of the Resolution: 99.99%
- % of votes cast in against the Resolution: 0.01%

Resolution 2: Appointment of Mr. Sumanta Kumar Patra (DIN: 09607152), Chief Executive Officer (CEO) as Whole-time Director and CEO:

- % of votes cast in favour of the Resolution: 99.99%
- % of votes cast in against the Resolution: 0.01%

Resolution 3: Appointment of Mr. Aditya Vimalkumar Agrawal (DIN: 03330313) Director, as Managing Director of the Company:

- % of votes cast in favour of the Resolution: 99.99%
- % of votes cast in against the Resolution: 0.01%

The Company had sought approval of the shareholders by way of Special Resolution through notice of postal ballot dated 11th August, 2022 for the following resolutions:

- Approval for the Buyback of Equity Shares of the Company

The above resolutions were duly passed and the results of which were announced on 15th September, 2022. The Company extended remote e-voting facility through National Securities Depository Limited (NSDL). Md. Shahnawaz (Membership No. ACS 21427 and Certificate of Practice No. 15076) of M Shahnawaz & Associates, Practicing Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner. The voting pattern on the said resolution is as under:

Resolution 1: Approval for the Buyback of Equity Shares of the Company:

- % of votes cast in favour of the Resolution: 99.99%
- % of votes cast in against the Resolution: 0.01%

**Details of Special Resolution proposed to be conducted through Postal Ballot and procedure:**

During the year under review, no resolution are proposed to be transacted through postal ballot.

**Procedure for Postal Ballot:**

- In terms of the requirements specified in the MCA Circulars, the Company will send the Postal Ballot Notice in electronic form only to those Members whose e-mail addresses will be registered with the Company/

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2022-23 (Contd.)

Depositories/ Registrar and Share Transfer Agents unless otherwise specified. Accordingly, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope will not be sent to the Members for this Postal Ballot. The members will have the option to vote only through remote e-voting and voting through physical ballot will not be available. The communication of the assent or dissent of the Members will also take place through the remote e-voting system.

- The Scrutinizer will submit his report to the Managing Director of the Company, who on the basis of the report will announce the results, and
- The Company need to engage the services of any of the Depositories for providing e-voting facility to its shareholders.

No Extra-Ordinary General meeting of the Shareholders was held during the year.

### DISCLOSURES

- No materially significant related party transactions took place between the Company and its subsidiaries, its Promoters, Directors or the Management and their relatives which have a bearing on interests of the Company at large. Other Related Party transactions as per requirements of Accounting Standard 18 have been reported in Notes to Accounts annexed to the financial statements. The policy on related party transaction has been placed on the Company's website at <http://shyamcenturyferrous.com/php/policies.php?pdf=Related-Party-Policy.pdf>
- There has been no instance of non-compliance by the Company on any matter related to capital markets and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.
- There has been no instance where the Board of Directors had not accepted any recommendation of any Committee of the Board which is mandatorily required in the relevant financial year.
- The Company has a well-defined risk management framework and the Board is kept informed about the risk assessment and minimisation procedures. The risk policy provides for identification of risk, its assessments and procedures to minimise risk. The risk management policy is reviewed periodically to ensure that the executive management controls the risk as per decided policy.
- The Company's policy on Vigil mechanism is placed on the Company's website at <http://shyamcenturyferrous.com/php/policies.php?pdf=Whistle-Blower-Policy.pdf> We hereby affirm that no personnel have been denied access to the Audit Committee.

- The Directors of the Company are not related inter-se.
- The Financial statements of the Company are prepared in accordance with the Accounting Standards (IND AS) stipulated under the Companies Act.
- During the year under review, the Company has not raised any money through public issue.
- During the year under review no instances of sexual harassment reported.
- The Company's policy on "material subsidiary" is placed on the Company's website at <http://shyamcenturyferrous.com/php/policies.php?pdf=Policy-on-Material-subsiary.pdf>
- A Certificate from a Company Secretary in Practice confirming that none of the Directors on the Board of your Company 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 Statutory Authority forms part of this Annual Report.
- Total consolidated fees paid for all services rendered by the Statutory Auditors to the Company during the year under review was ₹ 2.72 Lakhs.
- The status of compliance with discretionary requirements specified in Part E of Schedule II of the Listing Regulations is provided below:
  - a) **Non-Executive Chairman's Office:** The Company does not have regular Non- Executive chairperson.
  - b) **Shareholders' Rights:** As the quarterly, half yearly and annual results of the Company along with significant events, if any, are published in the newspapers and also posted on the Company's website and Stock Exchanges where shares of the Company are listed, the same are not being sent individually to the shareholders.
  - c) **Modified Opinion in Audit Report:** The Company's financial statement for the year ended 31st March, 2023 does not contain any modified audit opinion.
  - d) **Separate posts of Chairman and CEO:** The positions of Chairman and Chief Executive Officer (CEO) are separate.
  - e) **Reporting of Internal Auditor:** The Internal Auditor reports directly to the Audit Committee.
  - f) **Policy on Board Diversity:** This Policy aims to set out the approach to achieving diversity for the Board of Directors of the Company. The Company believes that benefits of a professional board that possesses a balance of skills, experience, expertise will enhance the decision-making power of the Board which in turn will benefit the stakeholders of the Company.

**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2022-23 (Contd.)**

- g) The Company has advanced a loan of ₹ 30 Lakh to M/s Suhag Overseas Trading Private Limited in which Mr. Aditya Vimalkumar Agrawal, the Managing Director of your Company was interested and the entire amount of the said loan of ₹ 30 Lakh is outstanding as on 31st March, 2023.

Apart from above mentioned loan, your Company has not given any loans & advances to any company where Directors are interested.

- The Company has complied with the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub regulation (2) of regulation 46 of the LODR.

**CREDIT RATINGS**

Your Company enjoys a sound reputation for its prudent financial management and its ability to meet financial obligations. CARE Ratings, has reaffirmed the Company's short term rating to "CARE A3+" (pronounced CARE A three plus, outlook stable) and the long term rating to "CARE BBB+, Stable" (pronounced as CARE Triple B Plus; Outlook: Stable).

**CODE OF CONDUCT**

In pursuance of the SEBI Regulations, the Board has approved the 'Code of Conduct for Board of Directors and Senior Management' and same has been circulated and posted on the Company's website at <http://shyamcenturyferrous.com/index.php> The Directors and Senior Management personnel have affirmed compliance with the provisions of above Code of Conduct. The declaration by the Chief Executive Officer to this effect is also attached to this Report.

**MEANS OF COMMUNICATION**

The Company's quarterly financial results, after their approval by the Board of Directors, are promptly issued to all the Stock Exchanges with whom the Company has listing arrangements. These financial results, in the prescribed format, as per SEBI Regulations, are published in prominent English and Khasi (Regional language) newspapers usually in 'Financial Express' and 'Hima'. The quarterly financial results and official news are also posted on the website of the Company at <http://shyamcenturyferrous.com/index.php>

The audited financial statements form a part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting. The Annual Report of the Company, the quarterly/half yearly and the annual results of the Company are also placed on the Company's website: at <http://shyamcenturyferrous.com/index.php> and can be downloaded.

All periodical compliance filings like shareholding pattern, corporate governance report, investor presentations, media releases, among others are filed electronically on NSE Electronic Application Processing System (NEAPS),

NSE Digital Exchange Portal and BSE's Listing Centre which are web-based applications designed by NSE and BSE respectively for corporates and are displayed on the Company's website.

The Company has designated the following email id exclusively for investor serving: [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com)

**MANAGEMENT DISCUSSION AND ANALYSIS**

A Management Discussion and Analysis Report, forms a part of the Directors' Report.

**GENERAL SHAREHOLDER INFORMATION**

**Annual General Meeting**

<b>Date and Time</b>	Thursday, the 28th day of September, 2023 at 02.00 p.m.
<b>Venue</b>	Annual General Meeting be conducted through Video Conferencing / other Audio-Visual means facility. [Deemed venue of Meeting at Registered office at Village: Lumshnong, PO: Khaliehriat, Dist. East Jaintia Hills, Meghalaya – 793210
<b>Dates of Book Closure</b>	Friday 22nd September, 2023 to Thursday 28th September, 2023 (both days inclusive)

**Financial Calendar (for the year 2023-24)**

The Company follows financial year starting from 1st of April of the financial year and ending on 31st March of the following year.

**Proposed date for approval of financial results**

First Quarter ended 30th June, 2023	Within 45 days from the end of quarter
Second Quarter ended 30th September, 2023	Within 45 days from the end of quarter
Third Quarter ended 31st December, 2023	Within 45 days from the end of quarter
Fourth/Last Quarter ended 31st March, 2024	Within 60 days from the end of quarter

**Listing on Stock Exchanges**

The Shares of the Company are presently listed on the following Stock Exchanges:-

- a) **National Stock Exchange of India Limited (NSE)**  
Exchange Plaza, Bandra –Kurla Complex, Bandra (E)  
Mumbai- 400 051  
Stock Code - SHYAMCENT
- b) **BSE Limited. (BSE)**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001  
Stock Code - 539252



**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2022-23 (Contd.)**

The Company has paid listing fees to NSE and BSE for the year 2023-24.

Annual Custody/Issuer fee for the year 2022-23 and 2023-24 has been paid by the Company to NSDL and CDSL.

**ISIN Allotted to the Company by the Depositories**

The Company has signed Depository agreement with both National Securities Depository Limited and Central Depository Services (India) Limited. The ISIN allotted to the Company is INE979R01011.

**Corporate Identity Number (CIN)**

L27310ML2011PLC008578

**Market Information**

Market Price Data: High, Low (based on the closing prices) and volume of shares traded at BSE and NSE, for the financial year 2022-23 are as follows:

Month	Bombay Stock Exchange			National Stock Exchange		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April 2022	38.05	23.55	63,64,372	38.05	23.60	3,15,59,759
May 2022	32.60	21.95	44,58,998	32.55	21.95	1,56,80,594
June 2022	25.85	18.40	26,04,859	25.65	18.35	1,20,92,083
July 2022	24.55	19.25	18,17,316	24.55	19.30	86,81,104
August 2022	23.80	19.70	26,96,879	23.80	19.75	1,35,86,970
September 2022	27.25	21.10	32,51,307	27.25	21.45	1,52,55,559
October 2022	23.75	21.60	7,37,012	23.85	21.65	37,87,903
November 2022	24.55	21.00	14,02,728	24.55	21.35	58,76,396
December 2022	22.95	17.15	11,76,282	23.00	18.15	64,42,672
January 2023	22.90	19.25	8,13,961	22.90	19.25	33,91,517
February 2023	20.95	17.05	7,42,857	20.95	16.60	36,37,322
March 2023	18.55	15.42	7,81,597	18.50	15.30	43,75,741

Performance of the Shares of the Company in comparison to BSE Sensex is as under

Month	BSE Sensex		Company's Share	
	Closing	% Change	Closing	% Change
April 2022	57,060.87	(2.57)	29.95	20.77
May 2022	55,566.41	(2.62)	24.9	(16.86)
June 2022	53,018.94	(4.58)	19.65	(21.08)
July 2022	57,570.25	8.58	22.8	16.03
August 2022	59,537.07	3.42	21.65	(5.04)
September 2022	57,426.92	(3.54)	22.8	5.31
October 2022	60,746.59	5.78	22.1	(3.07)
November 2022	63,099.65	3.87	21.75	(1.58)
December 2022	60,840.74	(3.58)	22.05	1.38
January 2023	59,549.90	(2.12)	20.15	(8.62)
February 2023	58,962.12	(0.99)	17.55	(12.90)
March 2023	58,991.52	0.05	16.52	(5.87)

**Registrars and Share Transfer Agents**

M/s Maheshwari Datamatics Private Limited

23, R. N. Mukherjee Road,

5th floor, Kolkata- 700001

Phone: 033 22435029/22482248

Fax - 033 22484787

Email - mdpldc@yahoo.com



REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2022-23 (Contd.)

Share Transfer System

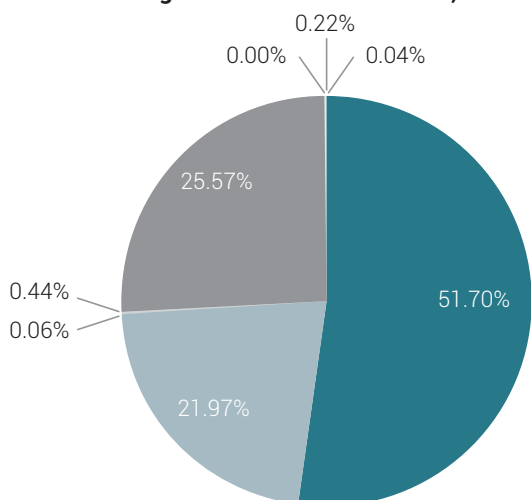
Requests for transfer of shares can be lodged either at the office of the Company or at the office of the Registrar. The transfers are normally processed within a maximum period of 15 days from the receipt of documents, complete in all respect.

Transfer of Shares in dematerialised form is duly processed by NSDL/CDSL in electronic form through the respective Depository participants. Dematerialisation is required to be done within a period of 15 days from the date of lodgment of Dematerialisation request, complete in all respect, with the Depository Participant of the Shareholder.

Distribution of Shareholding of Ordinary Shares as on 31st March, 2023

Shareholding	Total No. of Shareholders	%	No. of Shares	%
1- 500	62,715	84.08	65,79,140	3.10
501-1000	5587	7.49	45,95,831	2.17
1001-5000	5100	6.84	1,15,50,410	5.45
5001-10000	679	0.91	51,86,203	2.44
10001- 20000	287	0.39	41,85,203	1.97
20001 and above	221	0.30	18,00,76,203	84.87
<b>Total</b>	<b>74,589</b>	<b>100</b>	<b>21,21,72,990</b>	<b>100</b>

Shareholding Pattern as on 31st March, 2023



Shareholding Pattern

- Promoter and Promoter Group
- Bodies Corporate
- Clearing Member
- NRIs
- Individual
- Trests
- Foreign Portfolio Investors
- Domestic Corporate Unclaimed Shares

Category	Number of Shareholders*	Number of Shares	% of total Share Capital
Promoter and Promoter Group	21	10,96,90,011	51.70
Bodies Corporate	156	4,66,12,309	21.97
Clearing Member	30	1,33,747	0.06
NRIs	538	9,35,526	0.44
Individual	72596	5,42,42,969	25.57
Trests	2	5,001	0.00
Foreign Portfolio Investors	2	4,59,847	0.22
Domestic Corporate Unclaimed Shares	1	93,580	0.04
<b>TOTAL</b>	<b>73346</b>	<b>21,21,72,990</b>	<b>100.00</b>

\*Note: In terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated 19.12.2017 shareholding of the promoter and promoter group, public shareholder and non-public non-promoter shareholder has been consolidated on the basis of the PAN and folio number.

Dematerialisation of shares and liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the Depositories in India – National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited. (CDSL).

21,17,52,658 Ordinary Shares of the Company representing 99.80% of the Company's share capital are dematerialised as on 31st March, 2023.

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2022-23 (Contd.)

The Company has never issued any GDR/ADR/ warrants or any convertible instruments.

### RECONCILIATION OF SHARE CAPITAL AUDIT

- i. Pursuant to Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificates on annual basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company.
- ii. A Practicing Company Secretary carries out the reconciliation of Share Capital of the Company for every Quarter to reconcile the total capital admitted with National Securities Depository Limited and Central Depository Services (India) Limited ('Depositories') and the total issued and listed capital of the Company. The Audit confirms that the total issued/paid up Capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form.

### DISCLOSURES WITH RESPECT TO UNCLAIMED SHARES SUSPENSE ACCOUNT

Details as required under Schedule V of the Listing Regulations in respect of unclaimed shares transferred to the demat account "Shyam Century Ferrous Limited – Unclaimed Suspense Account" is as follows:

Particulars	No. of shareholders	No. of shares
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 1st April, 2022	52	93,580
Aggregate number of Shareholders and outstanding shares transferred to Unclaimed Suspense Account	NIL	NIL
Number of shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account	NIL	NIL
Number of shareholders to whom shares were transferred from Suspense Account during the year	NIL	NIL
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 31st March, 2023	52	93,580
Voting rights in respect of the aforesaid shares held in Unclaimed Suspense Account will remain frozen till the time such shares are transferred from the Unclaimed Suspense Account to the concerned shareholders/legal heirs		

### COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Commodities form a major part of the raw materials required for Company's products and hence, commodity price risk is one of the important market risk for the Company. The Company has mechanism to ensure that the organisation is protected from market volatility in terms of price and availability of raw materials and prefers long term arrangement with the suppliers. The Company does not hedge its exposure to commodity price risks.

The Company also does not hedge foreign exchange risks.

#### Plant location:

Ferro Alloy & Power Plant, EPIP, Rajabagan, Byrnihat, District- Ri-Bhoi, Meghalaya - 793101

#### Address for Correspondence:

- a) **Corporate Office:** The Compliance Officer, Shyam Century Ferrous Limited, 2nd floor, P-15/1, Taratala Road, Kolkata-700 088  
Phone: 033 2401-5555  
Email: investors@shyamcenturyferrous.com  
Website: www.shyamcenturyferrous.com
- b) **Registered Office:** Village: Lumshnong, P.O. Khaliehriat, Dist. East Jaintia Hills, Meghalaya – 793210.

For and on behalf of the Board of Directors

Place: Kolkata  
Date: 19th May, 2023

**Rajesh Kumar Agarwal**  
Director  
(DIN: 00223718)

**Aditya Vimalkumar Agrawal**  
Managing Director  
(DIN: 03330313)

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**To**  
**The Members of**  
**Shyam Century Ferrous Limited**  
**Vill:-Lumshnong, P.O. Khaliehriat,**  
**Dist. East Jaintia Hills,**  
**Meghalaya - 793 210**

We have examined the compliance of conditions of the Corporate Governance by **Shyam Century Ferrous Limited** ("the Company") for the year ended on 31st March, 2023, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said clauses and/or regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For **D.K. CHHAJER & CO.**  
Firm Registration No. 304138E  
Chartered Accountants

**NEHA MAHESHWARI**  
Partner  
Membership No. 308616

Place: Kolkata  
Date: 19th May, 2023  
UDIN: 23308616BGYZVW6500

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**COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS**

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended it is hereby declared that all Board members and Senior Management Personnel of the Company have affirmed the compliance of the Code of Conduct for the year ended 31st March, 2023.

Place: Kolkata  
Dated: 19th May, 2023

**Sumanta Kumar Patra**  
Chief Executive Officer

**CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)**

**To,  
The Board of Directors  
Shyam Century Ferrous Limited**

We the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Shyam Century Ferrous Limited ('the Company'), to the best of our knowledge and belief certify that:

- A. We have reviewed the financial statements and the cash flow statement for the Financial year ended 31st March, 2023 and based on our knowledge and belief, we state that:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the Auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- D. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
- (1) significant changes, if any, in internal control over financial reporting during the year;
  - (2) significant changes, if any, in accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata  
Date: 19th May, 2023

**Sumanta Kumar Patra**  
Chief Executive Officer

**Uday Bahadur Chetri**  
Chief Financial Officer

**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**

**Shyam Century Ferrous Limited**

Vill: Lumshnong, P.O. Khaliehriat

Dist.- East Jaintia Hills - 793210

Meghalaya

We have examined the relevant disclosures received from the Directors and registers, records, forms, returns maintained by Shyam Century Ferrous Limited (CIN: L27310ML2011PLC008578) having its Registered office at Vill: Lumshnong, P.O. Khaliehriat, Dist.-East Jaintia Hills – 793 210, Meghalaya (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 and 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](http://www.mca.gov.in)] as considered necessary and explanations furnished to us by the Company and its officers, we certify that following are the Directors on the Board of the Company as on 31st March, 2023:

Sl. No.	DIN	Name	Designation	Date of appointment
1	00343256	Mr. Pramod Kumar Shah	Independent Director	1st April, 2020
2	03330313	Mr. Aditya Vimalkumar Agrawal	Managing Director	1st April, 2015
3	01375361	Mrs. Plistina Dkhar	Independent Director	1st March, 2013
4	00223718	Mr. Rajesh Kumar Agarwal	Non-executive Director	8th February, 2021
5	09037566	Mr. Nirmalya Bhattacharyya	Independent Director	1st April, 2021
6	09607152	Mr. Sumanta Kumar Patra	Whole-time Director & CEO	17th May, 2022

We further certify that none of the aforesaid Directors on the Board of the Company for the financial year ended on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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

For **MKB & Associates**

Company Secretaries

Firm Reg No: P2010WB042700

**Raj Kumar Banthia**

Partner

Membership no. 17190

COP no. 18428

Date: 19th May 2023

Place: Kolkata

UDIN: A017190E000339380





# FINANCIAL STATEMENT



# INDEPENDENT AUDITORS' REPORT

To the Members of **Shyam Century Ferrous Limited**

## Report on the Audit of the financial statements

### OPINION

1. We have audited the accompanying financial statements of Shyam Century Ferrous Limited ("the Company"), which comprise the Balance sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, its profit and other comprehensive income, changes in equity and cash flows for the year then ended.

### BASIS FOR OPINION

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

### KEY AUDIT MATTERS

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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:

S. No.	Description of Key Audit Matters	How our audit addressed the Key Audit Matter
1	<p><b>Revenue Recognition</b></p> <p>(Refer Note no. 25 to the Financial Statements and Note 1.17 (A) of the significant accounting policies of the Financial Statements).</p> <p>The Company recognizes revenues when the Company performs its obligation and control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Delivery occurs when the product has been dispatched to the specific location and the risk of obsolescence / loss has been transferred and there is no unfulfilled obligation that could affect the buyer's acceptance of the product as per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.</p>	<p><b>Our principal audit procedures to assess the appropriateness of revenue recognised included:</b></p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Company's key internal controls over the revenue recognition process.</li> <li>• Assessment of the compliance of the Company's revenue recognition accounting policies against the requirements of Ind AS 115 "Revenue from Contracts with Customers" to identify any inappropriate policy.</li> <li>• End to end checking of sample sales transaction and tracing the same to sales order, invoices, customers' lorry receipts and collection from debtors to determine whether these were recorded appropriately.</li> <li>• Read, analyzed and identified the distinct performance obligations in selected sample contracts.</li> <li>• Obtained management's calculations for discounts and rebates.</li> </ul>

**INDEPENDENT AUDITORS' REPORT (Contd.)**

<b>S. No.</b>	<b>Description of Key Audit Matters</b>	<b>How our audit addressed the Key Audit Matter</b>
	<p>Revenue is recognised based on the price and as per terms specified in the contracts, net of the estimated volume discounts. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.</p> <p>The terms of sales arrangements, including the timing of transfer of control, the nature of discount and rebates arrangements and delivery specifications, create complexity and judgment in determining sales revenues and accordingly, it was determined to be a key audit matter in our audit of the financial statements of the Company</p>	<ul style="list-style-type: none"> <li>• Examination of significant contracts entered into close to year end to ensure revenue recognition is made in the correct period.</li> </ul> <p>Our testing as described above showed that revenue has been recorded in accordance with the terms of applicable contracts and accounting policy in this area.</p>
<b>2.</b>	<p><b>Impairment assessment of Captive Power Plant</b> (Note 1.4 of the significant accounting policies of the Financial Statements).</p> <p>The Company has a material operational asset, Captive Power Plant (CPP) relating to generation of power.</p> <p>The CPP has been non-operational for a substantial period of time and the Company is meeting its power requirements from Meghalaya Power Distribution Corporation Limited.</p> <p>As at 31 March, 2023, the carrying amount of all assets related to the CPP stands at Rs. 671 lakhs out of total PPE of Rs. 2026 lakhs.</p> <p>The Company assesses at the end of each reporting period whether there is any indication that the Property, Plant &amp; Equipment (PPE) may be impaired by considering internal and external sources of information. The management assesses recoverable amount of each of the assets where such indications exist, based on higher of fair value less cost to sell and value in use. The fair value of an asset is estimated based on the valuation provided by external professional valuers which is based on the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.</p> <p>The 'value in use' is determined by discounting estimated future cash flows expected to be derived from an asset or cash-generating unit.</p> <p>We considered this as a key audit matter as the carrying value of PPE requires impairment assessment based on the future expected cash flows / recoverable value associated with the power plant (Cash generating unit).</p>	<p><b>Our principal audit procedures to assess the appropriateness of provisions and adequacy of disclosures included:</b></p> <ul style="list-style-type: none"> <li>• Obtaining a detailed understanding of key controls and processes with regard to identification of impairment indications and assessment of recoverable amounts of the assets where such indications exist, and testing operating effectiveness of such controls.</li> <li>• Obtaining an understanding of the circumstances and reasons for the CPP's inoperability, including discussions with management and relevant personnel.</li> <li>• Examining the valuation of the net block of the CPP as of 31 March, 2023, including reviewing the basis for determining the carrying amount and assessing its reasonableness.</li> <li>• Evaluating the Company's process of impairment assessment involving registered valuation experts to assist in assessing the appropriateness of the impairment model including an independent review of their methodology, assumptions, and calculations.</li> <li>• Based on the valuation done by the management's expert, the recoverable value of CPP, being Rs. 764.47 lakhs is more than its book value as at 31 March, 2023 and hence there is no impairment.</li> </ul> <p>On the basis of the above procedures performed, we considered the management's assessment of not considering any impairment in respect of its CPP as adequate and reasonable.</p>

## INDEPENDENT AUDITORS' REPORT (Contd.)

S. No.	Description of Key Audit Matters	How our audit addressed the Key Audit Matter
3	<p><b>Litigation, Claims and Contingent Liabilities</b></p> <p>(Refer Note no. 42 to the Financial Statements and Note 1.21 of the significant accounting policies of the Financial Statements).</p> <p>The Company is subject to certain legal, regulatory and tax cases for which final outcome cannot be easily predicted and which could potentially result in significant liabilities. The Company's management has assessed that the probability of success of the demand is remote and accordingly has not provided for the disputed demands.</p> <p>The assessment of whether a liability is recognized as a provision or disclosed as a contingent liability in the financial statements is inherently subjective and requires significant management judgement in determination of the cash outflows from the business, interpretation of applicable laws and regulations and careful examination of pending assessments at various levels of regulatory authorities. These estimates could change significantly over time as new facts emerge and each legal case progresses.</p> <p>This has been considered a key audit matter in view of the uncertain outcome of the litigations and involvement of significant management interpretations and judgement in assessing the probability of outflow of economic resources.</p>	<p><b>Our principal audit procedures to assess the appropriateness of provisions and adequacy of disclosures included:</b></p> <ul style="list-style-type: none"> <li>• Reviewing the outstanding litigations against the Company for consistency with the previous years. Enquiring and obtaining explanations for movement during the year.</li> <li>• Gained an understanding of outstanding litigations against the Company from the Company's in-house legal counsel and other key managerial personnel who have knowledge of these matters.</li> <li>• Reading the latest correspondence between the Company and the various tax/legal authorities and considered legal opinion obtained by the Company from legal counsel.</li> <li>• Examining the Company's legal expenses and reading the minutes of the board meetings, in order to ensure all cases have been identified.</li> <li>• With respect to tax matters, discussing with the Company's tax officers, their views and strategies on significant cases, as well as the related technical grounds relating to their conclusions based on applicable tax laws.</li> <li>• Considering the adequacy and completeness of the Company's disclosures with regard to those matters where management concluded that no provisions should be recorded.</li> </ul> <p>On the basis of the above procedures performed, we considered the management's assessment in respect of contingencies and provision for taxes and other litigations and claims to be reasonable and disclosures to be appropriate.</p>

#### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion & Analysis, and Report on Corporate Governance, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or

our knowledge obtained 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.

#### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of the financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally

## INDEPENDENT AUDITORS' REPORT (Contd.)

accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls with reference to financial statements that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the 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 is also responsible for overseeing the Company's financial reporting process.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

8. Our objectives are to obtain reasonable assurance about whether the 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 financial statements.
9. 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial Statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.
  11. 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.
  12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial



## INDEPENDENT AUDITORS' REPORT (Contd.)

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

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
  - (e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" wherein we have expressed an unmodified opinion.
  - (g) 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 financial statements Refer Note 42 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2023.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 51 (i) to the financial statements;
- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 51 (ii) to the financial statements; and
- (c) Based on such audit procedures performed as considered reasonable

**INDEPENDENT AUDITORS' REPORT (Contd.)**

- and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the Management representations under sub-clauses (i) and (ii) of Rule(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The interim dividend declared and paid by the Company during the year is in compliance with section 123 of the Act.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
15. 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 according to the information and explanations given to us, the remuneration paid/ provided by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

For **D K Chhajer & Co.**  
Chartered Accountants  
Firm Registration No. 304138E

**Neha Maheshwari**  
Partner  
Membership No. 308616

UDIN No -23308616BGYZVV5146  
Place - Kolkata  
Date: 19th May, 2023

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph -13 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date.)

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment are physically verified by the Management according to a phased programme 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 the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in Note 2 on Property, plant and equipment and Note 2.2 on Right-of-use Assets to the financial statements, are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued its Property, Plant and Equipment (including right-of-use assets) or intangible assets or both during the year. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedures of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were less than 10% in aggregate for each class of inventory.
- (b) The Company has not been sanctioned any working capital facility from financial institutions. The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock and book debt statements, filed by the Company with such banks are materially in agreement with the unaudited books of account of the Company of the respective quarters other than those as set out below:

Name of the Bank (a)	Aggregate working capital limits sanctioned (b)	Nature of Current Asset offered as Security (c)	Quarter ended (d)	Amount disclosed as per Quarterly Return/ Statement (₹ In Lakhs) (e)	Amount as per Books of account (Rs. In Lakhs) (f)	Difference (Rs. In Lakhs) g=(e) - (f)	Reasons for difference (h)
HDFC Bank	Rs. Thirty Crores	Refer Note -1 Below	Jun'22	3,046.40	3,081.18	(34.78)	Note-2
			Sept'22	4,182.89	4,185.39	(2.5)	Note-2
			Dec'22	2,721.52	2,708.58	12.94	Note-2
			Mar'23	4,703.58	3,825.26	878.32	Note-3

**Note-1:** These include the Inventories and Trade Receivables net of Trade Payables.

Also refer Note 54 to the financial statements.

**Note-2:** As stated by the management, the difference is due to variation in stock valuation rate as valuation is based on previous month's cost sheet.

**Note-3:** As stated by the management, the difference is due to Impact on inventory for sales reversal wherein risk/rewards were not transferred to the customers within period end not considered in returns/statement submitted to the bank.

- iii. According to the information and explanations given to us and on the basis of our examination of the records of the

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)**

Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

- iv. According to the information and explanation given to us and based on the audit procedures conducted by us, the Company has neither granted any loans or made investments nor provided guarantees or securities in contravention of provisions of Section 185 of the Act. The Company has not made any investments or provided any guarantees or securities to the parties covered under Section 186 of the Act. In respect of loans made by the Company, the provisions of Section 186 of the Act have been complied with.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Accordingly, reporting under Clause (v) of the Order is not applicable to the Company.

- (b) According to the information and explanations given to us and based on the records of the Company examined by us, the particulars of statutory dues referred in sub-clause (a) above which have not been deposited on account of any dispute are as follows:

Name of the Statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Mines and Minerals Development and Regulation Act, Goods and Service tax & Value-Added tax Act	Royalty, MEPRF, GST/ VAT	2,184.80	2014-15 to 2018-19	National Green Tribunal
The Central Excise Act, 1944	Excise Duty	112.04	July 2004 – March 2013	Supreme Court
Income-tax Act, 1961	Demand Payable	20.21	A.Y. 2018-19 & A.Y. 2021-22	National Faceless Assessment Centre (NFAC), Delhi

- viii. According to the records of the Company examined by us and the information and explanation given to us, there were no transactions surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which were previously not recorded in the books of account. Accordingly, reporting under Clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) According to the Company information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable, with the appropriate authorities. There were no undisputed amounts payable in respect of the aforesaid statutory dues in arrears as at 31 March, 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix) (c) of the Order is not applicable to the Company.

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

- (d) According to the information and explanations given to us and on an overall examination of the financial statement of the company, funds raised on short-term basis have not been used for long-term purposes by the Company.
- (e) During the year ended 31 March, 2023, the Company did not have any subsidiaries, associates or joint ventures as defined under the Act. Accordingly, reporting under clause 3(ix) (e) of the Order is not applicable to the Company.
- (f) During the year ended 31 March, 2023, the Company did not have any subsidiaries, associates or joint ventures as defined under the Act. Accordingly, reporting under clause 3(ix) (f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under Clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, reporting under Clause 3(x) (b) of the Order is not applicable to the Company.
- xi. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143 (12) of the Act, in Form ADT-4, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed by us with the Central Government, during the year and up to the date of this Report. Further, as informed by the Company, the Cost Auditor as well as the Secretarial Auditor of the Company have not filed any report under Section 143(12) of the Act with the Central Government in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year and up to the date of this report. Accordingly, reporting under Clause 3(xi) (b) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) (b) & (c) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the notes to the financial statements as required under Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business during the year; and
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its Directors or persons connected with them. Accordingly, reporting on compliance with the provisions of Section 192 of the Act under Clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company has not conducted any non-banking financial / housing finance activities during the year. Accordingly, reporting under Clause 3(xvi) (b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations provided to us during the course of audit, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- xvii. The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.



**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)**

- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under Clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all the liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of subsection (6) of section 135 of the said Act. Accordingly, reporting under clause 3 (xx) (a) of the Order is not applicable to the Company for the year.
- (b) In our opinion and according to the information and explanations given to us, in respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.
- xxi. The reporting under Clause 3(xx) of the Order is not applicable in respect of audit of financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **D K Chhajer & Co.**  
Chartered Accountants  
Firm Registration No. 304138E

**Neha Maheshwari**  
Partner  
Membership No. 308616  
UDIN - 23308616BGYZVV5146

Place: Kolkata  
Date: 19th May, 2023

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 14(f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' report of even date)

### REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013(" THE ACT")

We have audited the Internal Financial Controls with reference to the financial statements of Shyam Century Ferrous Limited ("the Company") as at 31 March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Financial Statements 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") and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the these financial statements.

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A Company's internal financial control with reference to financial statements 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 statements includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisation of the 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.

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management, override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)**

internal financial control with respect to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control

stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **D K Chhajer & Co.**  
Chartered Accountants  
Firm Registration No. 304138E

**Neha Maheshwari**  
Partner  
Membership No. 308616  
UDIN - 23308616BGYZVV5146

Place: Kolkata  
Date : 19th May 2023

**BALANCE SHEET**

AS AT 31ST MARCH, 2023

(₹ in Lakhs)

Particulars	Notes	31st March, 2023	31st March, 2022
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	2	2,026.74	1,756.51
(b) Capital work-in-progress	2.1	-	251.75
(c) Right-of-use assets	2.2	161.96	38.51
(d) Intangible assets	2.3	1.60	-
(e) Financial assets			
(i) Other financial assets	3	59.13	56.87
(f) Non-current tax asset (net)	4	82.18	82.18
(g) Other non-current assets	5	63.60	2.10
<b>Total non-current assets</b>		<b>2,395.21</b>	<b>2,187.92</b>
<b>(2) Current assets</b>			
(a) Inventories	6	3,266.32	2,466.65
(b) Financial assets			
(i) Trade receivables	7	1,567.65	4,809.20
(ii) Cash and cash equivalents	8	9.56	15.39
(iii) Bank balances other than (ii) above	9	10,460.97	8,648.00
(iv) Loans	10	255.00	255.00
(v) Other financial assets	11	148.00	305.38
(c) Other current assets	12	81.04	567.35
<b>Total current assets</b>		<b>15,788.54</b>	<b>17,066.97</b>
<b>Total assets</b>		<b>18,183.75</b>	<b>19,254.89</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	13	2,121.73	2,221.73
(b) Other equity	14	13,934.89	15,267.54
<b>Total equity</b>		<b>16,056.62</b>	<b>17,489.27</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Lease Liabilities	15	73.96	37.35
(b) Deferred tax liabilities (net)	16	70.09	81.37
(c) Provision	17	55.79	55.22
<b>Total non-current liabilities</b>		<b>199.84</b>	<b>173.94</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Lease Liabilities	18	6.89	5.63
(ii) Borrowings	19	211.51	43.24
(iii) Trade payables	20		
a) Total outstanding dues of micro enterprises and small enterprises		-	47.30
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,008.71	929.28
(iv) Other financial liabilities	21	187.43	174.87
(c) Other current liabilities	22	421.31	254.67
(d) Provision	23	17.37	19.10
(e) Current tax liabilities (net)	24	74.07	117.59
<b>Total current liabilities</b>		<b>1,927.29</b>	<b>1,591.68</b>
<b>Total liabilities</b>		<b>2,127.13</b>	<b>1,765.62</b>
<b>Total equity and liabilities</b>		<b>18,183.75</b>	<b>19,254.89</b>
<b>Summary of Significant accounting policies</b>	1		

The accompanying notes form an integral part of the financial statements

As per our Report of even date

For **D. K. Chhajer & Co.**  
Chartered Accountants  
Firm Registration No. 304138E

For and on behalf of the Board of Directors

**Neha Maheshwari**  
Partner  
Membership No :308616

**Sumanta Kumar Patra**  
Chief Executive Officer and  
Whole Time Director  
DIN : 09607152

**Aditya Vimalkumar Agrawal**  
Managing Director  
DIN : 03330313

**Rajesh Kumar Agarwal**  
Director  
DIN : 00223718

Place: Kolkata  
Date: 19th May, 2023

**Uday Bahadur Chetri**  
Chief Financial Officer

**Ritu Agarwal**  
Company Secretary

# STATEMENT OF PROFIT AND LOSS

## FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Lakhs)

Particulars	Notes	31st March, 2023	31st March, 2022
<b>INCOME</b>			
Revenue from Operations	25	18,098.83	20,736.43
Other income	26	720.40	514.03
<b>Total income</b>		<b>18,819.23</b>	<b>21,250.46</b>
<b>EXPENSES</b>			
Cost of materials consumed	27	5,883.04	5,396.01
(Increase)/Decrease in Inventories of finished goods	28	(332.40)	(339.28)
Employee benefit expenses	29	521.12	529.35
Finance costs	30	34.58	63.19
Depreciation and amortisation expense	31	335.30	209.12
Other expenses	32	8,711.18	7,753.86
<b>Total expenses</b>		<b>15,152.82</b>	<b>13,612.25</b>
<b>Profit before tax</b>		<b>3,666.41</b>	<b>7,638.21</b>
Tax expense			
- Current Tax	33	1,012.77	1,812.53
- Deferred Tax		(10.98)	137.81
- Income Tax for earlier years		0.85	1.45
<b>Total tax expense</b>		<b>1,002.64</b>	<b>1,951.79</b>
<b>Profit for the period</b>		<b>2,663.77</b>	<b>5,686.42</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit and loss			
Remeasurements of post-employment benefit obligations	35	(1.21)	2.25
Income tax relating to these items		0.30	(0.57)
<b>Other comprehensive income for the period, net of tax</b>		<b>(0.91)</b>	<b>1.68</b>
<b>Total comprehensive income for the period</b>		<b>2,662.86</b>	<b>5,688.10</b>
<b>Earnings per equity share:</b>	34		
Basic earnings per share (₹ per Share)		1.26	2.56
Diluted earnings per share (₹ per Share)		1.26	2.56
<b>Summary of Significant accounting policies</b>	1		

The accompanying notes form an integral part of the financial statements

As per our Report of even date

For **D. K. Chhajer & Co.**  
Chartered Accountants  
Firm Registration No. 304138E

For and on behalf of the Board of Directors

**Neha Maheshwari**  
Partner  
Membership No. :308616

**Sumanta Kumar Patra**  
Chief Executive Officer and Whole  
Time Director  
DIN : 09607152

**Aditya Vimalkumar Agrawal**  
Managing Director  
DIN : 03330313

**Rajesh Kumar Agarwal**  
Director  
DIN : 00223718

Place: Kolkata  
Date: 19th May, 2023

**Uday Bahadur Chetri**  
Chief Financial Officer

**Ritu Agarwal**  
Company Secretary

**STATEMENT OF CASH FLOW**

FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Lakhs)

Sl. No.	Particulars	31st March, 2023	31st March, 2022
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before Tax	3,666.41	7,638.21
	Adjustments for:		
	Depreciation/Amortisation expenses	335.30	209.12
	(Profit)/Loss on sale of property, plant and equipment	-	0.82
	(Profit)/Loss on sale of investment	(0.33)	(0.28)
	Liability no longer required written back	(9.95)	-
	Finance Costs	34.58	63.19
	Interest Income	(671.82)	(513.75)
	<b>Operating Profit before Working Capital changes</b>	<b>3,354.19</b>	<b>7,397.31</b>
	Adjustments for:		
	(Increase)/Decrease in Trade Receivables	3,241.56	(2,601.45)
	(Increase)/Decrease in Inventories	(799.67)	(681.12)
	(Increase)/Decrease in Other receivables	486.30	295.98
	(Increase)/Decrease in Other assets	(124.99)	(46.04)
	Increase/(Decrease) in Trade payables	32.12	955.83
	Increase/(Decrease) in Other liabilities	181.11	(520.47)
	<b>Cash Generated from Operations</b>	<b>6,370.63</b>	<b>4,800.04</b>
	Income Tax Paid	(952.38)	(1,706.35)
	<b>Net Cash generated from Operating Activities</b>	<b>5,418.25</b>	<b>3,093.69</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	(Purchase)/Sale of Property, Plant & Equipment	(478.82)	(652.85)
	Net (Purchase)/Sale of Investment	0.33	0.28
	Investments in Fixed Deposits/Margin Money	(1,812.97)	(5,381.00)
	Interest Received	829.20	513.75
	<b>Net Cash used in Investing Activities</b>	<b>(1,462.26)</b>	<b>(5,519.82)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from Short Term Borrowings	168.27	(383.90)
	Repayment of Long Term Borrowings	-	(37.65)
	Payment of Lease Liabilities	(5.81)	(4.39)
	Payment of Interim dividend	(666.52)	-
	Payment for equity shares bought back	(3,428.99)	-
	Interest Paid	(28.77)	(58.80)
	<b>Net Cash used in Financing Activities</b>	<b>(3,961.82)</b>	<b>(484.74)</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(5.83)</b>	<b>(2,910.87)</b>
	Cash and cash equivalents at the beginning of the year	15.39	2,926.26
	Cash and cash equivalents at the end of the year	9.56	15.39



**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)****Notes :**

- 1 Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities .
- 2 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) "Statement of Cash Flow" .
- 3 For the purpose of Cash Flow Statement, Cash and Cash Equivalents comprises the following :

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Cash on hand	1.43	2.14
Balance with banks:		-
- In current accounts	8.13	13.25
<b>Total</b>	<b>9.56</b>	<b>15.39</b>

As per our Report of even date

For **D. K. Chhajer & Co.**  
Chartered Accountants  
Firm Registration No. 304138E

For and on behalf of the Board of Directors

**Neha Maheshwari**  
Partner  
Membership No :308616

**Sumanta Kumar Patra**  
Chief Executive Officer and Whole  
Time Director  
DIN : 09607152

**Aditya Vimalkumar Agrawal**  
Managing Director  
DIN : 03330313

**Rajesh Kumar Agarwal**  
Director  
DIN : 00223718

Place: Kolkata  
Date: 19th May, 2023

**Uday Bahadur Chetri**  
Chief Financial Officer

**Ritu Agarwal**  
Company Secretary

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2023

## A. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	Amount
<b>As at 1st April, 2021</b>	<b>2,221.73</b>
Changes in equity share capital	-
<b>As at 31st March, 2022</b>	<b>2,221.73</b>
Buyback of shares during the year	(100.00)
<b>As at 31st March, 2023</b>	<b>2,121.73</b>

## B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Capital Redemption Reserve	Reserve and surplus		Total other equity
		Capital Reserve	Retained Earning	
<b>Balance as at 1st April, 2021</b>	-	6,087.78	3,491.66	9,579.44
(a) Profit for the year	-	-	5,686.42	5,686.42
(b) Other comprehensive income/(loss) for the year - Remeasurement gain/(loss) of post-employment benefit obligations	-	-	1.68	1.68
<b>Total comprehensive income for the year (a + b)</b>	-	-	<b>5,688.10</b>	<b>5,688.10</b>
<b>Balance as at 31st March, 2022</b>	-	<b>6,087.78</b>	<b>9,179.76</b>	<b>15,267.54</b>

(₹ in Lakhs)

Particulars	Capital Redemption Reserve	Reserve and surplus		Total other equity
		Capital Reserve	Retained Earning	
<b>Balance as at 1st April, 2022</b>		<b>6,087.78</b>	<b>9,179.76</b>	<b>15,267.54</b>
Addition during the year	100.00	-	-	100.00
(a) Profit for the year	-	-	2,663.77	2,663.77
Less : Payment of Interim Dividend during the financial year 2022-23	-	-	(666.52)	(666.52)
Less : Payment for Buy back of Shares (Including buyback tax).	-	-	(3,428.99)	(3,428.99)
(b) Other comprehensive income/(loss) for the year - Remeasurement gain/(loss) of post-employment benefit obligations	-	-	(0.91)	(0.91)
<b>Total comprehensive income for the year (a + b)</b>	<b>100.00</b>	-	<b>(1,432.65)</b>	<b>(1,332.65)</b>
<b>Balance as at 31st March, 2023</b>	<b>100.00</b>	<b>6,087.78</b>	<b>7,747.11</b>	<b>13,934.89</b>

The accompanying notes form an integral part of the financial statements

As per our Report of even date

For **D. K. Chhajer & Co.**  
Chartered Accountants  
Firm Registration No. 304138E

For and on behalf of the Board of Directors

**Neha Maheshwari**  
Partner  
Membership No :308616

**Sumanta Kumar Patra**  
Chief Executive Officer and Whole Time Director  
DIN : 09607152

**Aditya Vimalkumar Agrawal**  
Managing Director  
DIN : 03330313

**Rajesh Kumar Agarwal**  
Director  
DIN : 00223718

Place: Kolkata  
Date: 19th May, 2023

**Uday Bahadur Chetri**  
Chief Financial Officer

**Ritu Agarwal**  
Company Secretary

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31ST MARCH, 2023

### Corporate Information

Shyam Century Ferrous Limited (the Company) is a public company domiciled in India and incorporated on 12th April, 2011 under the provisions of the Companies Act, 1956. Its shares are listed on National Stock Exchange and Bombay Stock Exchange in India. The Company is engaged in manufacturing of Ferro Alloys and generation of Power. The manufacturing unit is located at Byrnihat, Meghalaya. The Company is selling its product across India.

## 1. SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Basis of Preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, amendments thereto and other relevant provisions of the Act.

These financial statements were approved for issue in accordance with the resolution of the Board of Directors on 19th May, 2023.

The accounting policies are consistently followed by the Company and changes in accounting policy are separately disclosed.

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Net defined benefit asset/liability which is fair value of plan assets less present value of defined benefit obligations
- Certain financial assets and financial liabilities that are measured at fair value.

(iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

### 1.2 Use of Estimates and critical accounting judgements

The preparation of financial statements is in conformity with generally accepted accounting principles which requires management to make estimates and assumptions that affect the reported amounts of assets

and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period. Revisions in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are summarised below:

- (i) Classification of legal matters and tax litigation (refer note 42)
- (ii) Defined benefit obligations (refer note 35)
- (iii) Useful life of property, plant and equipment (refer note 2)
- (iv) Lease Accounting as per Ind AS 116 (refer note 2.2 & 38)
- (vii) Allowance for expected credit losses (refer note 40a(iii))
- (viii) Taxes (refer note 33)

### 1.3 Foreign Currency Transactions and Balances

#### i) Functional and presentation currency

Items reported in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements of the Company are presented in Indian Rupee (₹) which is the functional and presentation currency of the Company.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

**ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency at the reporting date using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction

**1.4 Property, plant and equipment**

Property, plant and equipment are stated at their cost of acquisition, installation or construction (net of any recoverable amount, wherever applicable) less accumulated depreciation, amortisation and impairment losses if any, except freehold land which is carried at cost. Cost comprises the purchase price, installation and attributable cost of bringing the asset to working condition for its intended use.

Subsequent expenditures are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. When significant parts of plant and equipment are required to be replaced the Company depreciates them separately based on their specific useful lives. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

**Capital Work in Progress**

Capital work in Progress is carried at cost comprising direct cost and includes any directly attributable cost incurred during construction period.

Property, plant and equipment not ready for their intended use as on the balance sheet date are disclosed as "Capital work-in-progress". Such items are classified to the appropriate category of property, plant and equipment when completed and ready for their intended use. Advances given towards acquisition/ construction of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advances under "Other non-current assets".

**Intangible Asset**

An intangible asset is recognised when it is probable that the future economic benefits that are attributable to the

asset will flow to the Company and the cost of the asset can be measured reliably. The depreciable amount of an intangible asset is allocated over its estimated useful life. Expenditure on purchased software and IT related expenditure are written off over a period of three years.

**Depreciation**

Depreciation on property, plant and equipment is provided on written down value method in accordance with the provisions of Schedule II to the Act, 2013 and considering the useful lives for computing depreciation specified in Part 'C', thereof. Depreciation is provided on components that have homogenous useful lives by using the WDV method so as to depreciate the initial cost down to the residual value over the estimated useful lives. Useful lives, components and residual amounts are reviewed annually.

In respect of an asset for which impairment loss is recognised, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

**Impairment of non-financial assets**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in circumstances.

**1.5 Research and Development Expenditure**

Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets.

**1.6 Lease****As a Lessee:**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

underlying asset is available for use). Right-of-use assets are initially measured at cost. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, an estimate of costs to be incurred in dismantling and removing or restoring the underlying asset and lease payments made at or before the commencement date less any lease incentives received. After the commencement date, the Right of use assets are measured applying the Cost model. They are subsequently measured at cost, less any accumulated depreciation, adjustments for any remeasurement of the lease liabilities and impairment losses. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**As a Lessor:**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership are transferred from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting

periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. Operating lease payments are recognised as an income in the Statement of Profit and Loss on a straight-line basis over the lease term, unless the receipt from lessee is structured to increase in line with expected general inflation and compensate for the lessor's expected inflation cost increase.

**1.7 Government Grants and subsidies**

Government grants / subsidies are recognised when there is reasonable certainty that the same will be received. Revenue grants, if any, granted by way of recoupment / reimbursement of any item of expenditure are recognised in the Statement of Profit and Loss by way of deduction from related item of expenses. Grants related to assets which are recognised in the Balance Sheet as deferred income, are recognised to the Statement of Profit and Loss on a systematic basis over the useful life of the related assets by netting off with the related expense.

**1.8 Inventories****Raw materials, stores and spare parts, fuel and packing material:**

Raw materials, stores and spares and fuel and packing material are valued at lower of cost or net realisable value. Cost includes purchase price, other costs incurred in bringing the inventories to their present location and condition, and taxes for which credit is not available. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on FIFO basis.

**Work-in-progress and finished goods:**

Work-in-progress and finished goods are valued at lower of cost or net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, but excluding borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**1.9 Investments and other financial assets****Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

- those measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

#### Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

#### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into the following categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collections of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

#### Equity instruments

The Company subsequently measures all equity investments (except subsidiary, associate and joint venture) at fair value through profit or loss. However, where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss.

#### Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend,

industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset, or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

#### 1.10 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

#### 1.11 Cash and Cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank, cash on hand, demand deposits with Banks and other short-term highly liquid investments / deposits that are readily convertible into cash which are subject to insignificant risk of changes in value with an original maturity of three months or less.

#### 1.12 Financial liabilities

##### Initial recognition and measurement

The Company recognises all the financial liabilities on initial recognition at fair value minus, in the case of a financial liability not at fair value through Profit or Loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

##### Subsequent measurement

All the financial liabilities are classified as subsequently measured at amortised cost, except for those measured at fair value through profit or loss.



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)****De-recognition of financial liabilities**

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

**1.13 Borrowing**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**1.14 Borrowing Costs**

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset is capitalised as part of cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as expense in the period in which they are incurred. Borrowing cost includes exchange differences arising from relevant foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost.

**1.15 Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of

recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**1.16 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**1.17 (A) Revenue Recognition**

Sales are recognised when control of the goods has been transferred. Sales are accounted when the products are delivered to the customers. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of obsolescence and loss have been transferred and either the customer has accepted the products in accordance with the sales contract or the acceptance provisions have lapsed or the Company has objective evidence that all criteria for acceptance have been satisfied

Revenue from these sales are recognised based on the price specified in the contract, which is generally fixed, net of the estimated volume discount. No element of financing is deemed present as the sales are generally made with a credit term of 30 days or against receipt of advance which is consistent with market practice. The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company is not required to adjust any of the transaction prices for the time value of money. Revenue includes consideration received or receivable but excludes Goods and Service Taxes, and are net of discounts and rebates.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

**(B) Other Income**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognised when right to receive is established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

**1.18 Employee benefits****(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

**(ii) Defined Contribution Plan**

Retirement benefit in the form of Provident Fund is a defined contribution scheme and is charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due.

**(iii) Defined Benefit Plan**

Gratuity liability, being a defined benefit obligation, is provided for on the basis of an actuarial valuation on projected unit credit method as at the date of the Balance Sheet.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

**(iv) Other Long-term benefits**

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation which is done as per projected unit credit method as at the date of the Balance Sheet.

**1.19 Taxation**

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The deferred tax in respect of temporary differences which originate during the tax holiday period and is likely to reverse during the tax holiday period, is not recognised to the extent income is subject to deduction during the tax holiday period as per the requirements of the Income Tax Act, 1961.

**1.20 Earnings per Share**

Basic Earnings per Share is calculated by dividing the net profit or loss for the year attributable to equity

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

shareholders (after deductible preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

### 1.21 Provisions and Contingencies

A Provision is recognised for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

### 1.22 Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

### 1.23 Dividends

Dividends paid (including dividend distribution tax thereon) is recognised in the period in which the interim

dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders. The amount is recognised directly in equity.

### 1.24 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

#### i) Ind AS 1 – Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Company does not expect this amendment to have any significant impact in its financial statements.

#### ii) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Company does

not expect this amendment to have any significant impact in its financial statements.

#### iii) Ind AS 12 – Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Company does not expect this amendment to have any significant impact in its financial statements.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

## NOTE 2 | PROPERTY, PLANT AND EQUIPMENT

Particulars	Land & Site Development	Factory Buildings	Non-Factory Buildings	Plant & Machinery	Electrical Installations	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Total
<b>Gross Carrying Value</b>										
As at 1st April, 2021	86.17	397.41	195.06	1,326.79	162.48	2.46	2.66	6.29	488.77	2,668.09
Addition	-	-	-	310.56	-	-	5.17	0.56	81.07	397.36
Disposal/Deduction/Adjustment	-	-	-	11.52	-	0.39	-	0.14	0.54	12.59
<b>As at 31st March, 2022</b>	<b>86.17</b>	<b>397.41</b>	<b>195.06</b>	<b>1,625.83</b>	<b>162.48</b>	<b>2.07</b>	<b>7.83</b>	<b>6.71</b>	<b>569.30</b>	<b>3,052.86</b>
Addition	-	-	-	248.01	287.22	-	1.05	1.78	57.39	595.45
Disposal/Deduction/Adjustment	-	-	-	-	-	-	-	-	-	-
<b>As at 31st March, 2023</b>	<b>86.17</b>	<b>397.41</b>	<b>195.06</b>	<b>1,873.84</b>	<b>449.70</b>	<b>2.07</b>	<b>8.88</b>	<b>8.49</b>	<b>626.69</b>	<b>3,648.31</b>
<b>Accumulated Depreciation</b>										
As at 1st April, 2021	-	154.42	43.87	470.62	87.35	1.59	1.68	1.98	346.46	1,107.97
Charge for the period	26.88	22.77	7.22	84.06	8.21	0.06	1.37	2.39	47.09	200.05
Disposal/Deduction/Adjustment	-	-	-	11.41	-	0.05	-	-	0.21	11.67
<b>As at 31st March, 2022</b>	<b>26.88</b>	<b>177.19</b>	<b>51.09</b>	<b>543.27</b>	<b>95.56</b>	<b>1.60</b>	<b>3.05</b>	<b>4.37</b>	<b>393.34</b>	<b>1,296.35</b>
Charge for the period	18.50	20.63	6.86	146.44	61.80	0.04	2.27	1.43	67.25	325.22
Disposal/Deduction/Adjustment	-	-	-	-	-	-	-	-	-	-
<b>As at 31st March, 2023</b>	<b>45.38</b>	<b>197.82</b>	<b>57.95</b>	<b>689.71</b>	<b>157.36</b>	<b>1.64</b>	<b>5.32</b>	<b>5.80</b>	<b>460.59</b>	<b>1,621.57</b>
<b>Net Carrying Value</b>										
As at 31st March, 2022	59.29	220.22	143.97	1,082.56	66.92	0.47	4.78	2.34	175.96	1,756.51
<b>As at 31st March, 2023</b>	<b>40.79</b>	<b>199.59</b>	<b>137.11</b>	<b>1,184.13</b>	<b>292.34</b>	<b>0.43</b>	<b>3.56</b>	<b>2.69</b>	<b>166.10</b>	<b>2,026.74</b>

Note:

During the year the Company has discarded fixed assets amounting to ₹ Nil (as at 31st March, 2022 ₹ 12.52 Lakhs) and sold fixed assets amounting to ₹ Nil (as at 31st March, 2022 ₹ 0.07)

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

## NOTE 2.1 | CAPITAL WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Balance at the beginning of the year included in capital work-in-progress	251.75	-
Add : Expenditure during construction for projects	29.77	251.75
Less : Capitalised during the period	281.52	-
Balance at the end of the year included in capital work-in-progress	-	251.75

## Ageing of Capital work-in-progress

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>As at 31st March, 2023</b>					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>As at 31st March, 2022</b>					
Projects in progress	251.75	-	-	-	251.75
Projects temporarily suspended	-	-	-	-	-

## NOTE 2.2 | RIGHT-OF-USE ASSETS

(₹ in Lakhs)

Particulars	Non-Factory Buildings	Lease hold land	Total
<b>Gross Carrying Value</b>			
<b>As at 1st April, 2021</b>	<b>53.64</b>	<b>-</b>	<b>53.64</b>
Addition	3.84	-	3.84
Disposal/Deduction/Adjustment	-	-	-
<b>As at 31st March, 2022</b>	<b>57.48</b>	<b>-</b>	<b>57.48</b>
Addition	18.09	116.84	134.93
Disposal/Deduction/Adjustment	1.55	-	1.55
<b>As at 31st March, 2023</b>	<b>74.02</b>	<b>116.84</b>	<b>190.86</b>
<b>Accumulated Depreciation</b>			
<b>As at 1st April, 2021</b>	<b>10.28</b>	<b>-</b>	<b>10.28</b>
Charge for the period	8.69	-	8.69
Disposal/Deduction/Adjustment	-	-	-
<b>As at 31st March, 2022</b>	<b>18.97</b>	<b>-</b>	<b>18.97</b>
Charge for the period	8.37	1.56	9.93
Disposal/Deduction/Adjustment	-	-	-
<b>As at 31st March, 2023</b>	<b>27.34</b>	<b>1.56</b>	<b>28.90</b>
<b>Net Carrying Value</b>			
<b>As at 31st March, 2022</b>	<b>38.51</b>	<b>-</b>	<b>38.51</b>
<b>As at 31st March, 2023</b>	<b>46.68</b>	<b>115.28</b>	<b>161.96</b>

## NOTE 2.3 | INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Computer Software
<b>Gross Carrying Value</b>	
<b>As at 1st April, 2021</b>	<b>3.66</b>
Addition	-
Disposal/Deduction/Adjustment	-
<b>As at 31st March, 2022</b>	<b>3.66</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(₹ in Lakhs)

Particulars	Computer Software
Addition	1.75
Disposal/Deduction/Adjustment	-
<b>As at 31st March, 2023</b>	<b>5.41</b>
<b>Accumulated Depreciation</b>	
<b>As at 1st April 2021</b>	<b>3.28</b>
Charge for the period	0.38
Disposal/Deduction/Adjustment	-
<b>As at 31st March, 2022</b>	<b>3.66</b>
Charge for the period	0.15
Disposal/Deduction/Adjustment	-
<b>As at 31st March, 2023</b>	<b>3.81</b>
<b>Net Carrying Value</b>	
<b>As at 31st March, 2022</b>	<b>-</b>
<b>As at 31st March, 2023</b>	<b>1.60</b>

Notes

- (a) Contractual commitments for acquisition of Property, Plant & Equipments is disclosed in Note No. 42
- (b) The Company does not have any Immovable Property whose title deeds are not held in the name of the Company as at 31st March, 2023 and 31st March, 2022

**NOTE 3 | OTHER FINANCIAL ASSETS - NON CURRENT**

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Unsecured, Considered Good</b>		
- Security Deposits	59.13	56.87
<b>Total</b>	<b>59.13</b>	<b>56.87</b>

**NOTE 4 | NON-CURRENT TAX ASSET (NET)**

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Advance income tax	82.18	82.18
<b>Total</b>	<b>82.18</b>	<b>82.18</b>

**NOTE 5 | OTHER NON-CURRENT ASSETS**

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Unsecured, Considered Good</b>		
Deposit with Statutory/Government authorities	-	0.25
Capital Advance	63.60	1.85
<b>Total</b>	<b>63.60</b>	<b>2.10</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

## NOTE 6 | INVENTORIES

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>(Valued at Lower of Cost or Net Realisable Value)</b>		
Raw materials	2,101.73	1,422.15
Finished goods (including goods in transit ₹292.47 Lakhs as at 31st March, 2023, ₹26.12 Lakhs as at 31st March, 2022)	704.55	372.15
Stores & spare parts (net off provision for non moving/obsolete items- ₹12.54 Lakhs as at 31st March, 2023, ₹NIL as at 31st March, 2022)	460.04	672.35
<b>Total</b>	<b>3,266.32</b>	<b>2,466.65</b>

## NOTE 7 | TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Secured, Considered good	-	2,072.57
Unsecured, Considered good	1,567.65	2,736.63
<b>Total</b>	<b>1,567.65</b>	<b>4,809.20</b>

## 7.1 Ageing of outstanding trade receivables as on 31st March, 2023 from due date of payment

(₹ in Lakhs)

Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed - Considered Good	1,205.72	361.93	-	-	-	-	1,567.65
Undisputed - significant increase in credit risk	-	-	-	-	-	-	-
Undisputed - credit impaired	-	-	-	-	-	-	-
Disputed - Considered Good	-	-	-	-	-	-	-
Disputed - significant increase in credit risk	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	-	-

## 7.2 Ageing of outstanding trade receivables as on 31st March, 2022 from due date of payment

(₹ in Lakhs)

Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed - considered Good	3,996.50	811.07	1.63	-	-	-	4,809.20
Undisputed - significant increase in credit risk	-	-	-	-	-	-	-
Undisputed - credit impaired	-	-	-	-	-	-	-
Disputed - considered Good	-	-	-	-	-	-	-
Disputed - significant increase in credit risk	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	-	-

## NOTE 8 | CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Cash on hand	1.43	2.14
Balance with banks:		
- In current accounts	8.13	13.25
<b>Total</b>	<b>9.56</b>	<b>15.39</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

## NOTE 9 | BANK BALANCES OTHER THAN (II) ABOVE

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
In Fixed Deposit accounts with original maturity of more than 3 months and up to 12 months	10,460.97	8,648.00
<b>Total</b>	<b>10,460.97</b>	<b>8,648.00</b>

## NOTE 10 | LOANS - CURRENT

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Unsecured, Considered Good</b>		
Loans to Body Corporate (related party) - Refer Note no.10.1	30.00	30.00
Loans to Body Corporate (Other than related party)	225.00	225.00
<b>Total</b>	<b>255.00</b>	<b>255.00</b>

## NOTE 10.1 | LOANS TO BODY CORPORATE (RELATED PARTY)

Particulars	31st March, 2023	Percentage of total loan ( % )
Suhag Overseas Trading Private Limited (₹ in Lakhs)	30.00	11.76

## NOTE 11 | OTHER FINANCIAL ASSETS - CURRENT

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Interest accrued but not due on		
- Fixed deposits	127.34	287.15
- Loans	20.66	18.23
<b>Total</b>	<b>148.00</b>	<b>305.38</b>

## NOTE 12 | OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Unsecured, considered good</b>		
Advance for goods & services	5.27	243.10
Advance to employees	-	0.18
Prepaid Expenses	37.14	15.66
Subsidies/ incentives receivable from Central/ State Government	-	237.75
Balances with/ Receivable from Statutory/ Government Authorities	38.63	70.66
<b>Unsecured, considered doubtful</b>		
Advance for goods & services	275.75	50.45
Less : Allowance for expected credit loss	(275.75)	(50.45)
<b>Total</b>	<b>81.04</b>	<b>567.35</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

## NOTE 13 | EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Authorised</b>		
22,27,00,000 (22,27,00,000 as at 31st March, 2022) Equity Shares of ₹ 1/- each fully paid up	2,227.00	2,227.00
	<b>2,227.00</b>	<b>2,227.00</b>
<b>Issued</b>		
21,21,72,990 (22,21,72,990 as at 31st March, 2022) Equity Shares of ₹ 1/- each fully paid up	2,121.73	2,221.73
	<b>2,121.73</b>	<b>2,221.73</b>
<b>Subscribed and paid up</b>		
21,21,72,990 (22,21,72,990 as at 31st March, 2022) Equity Shares of ₹ 1/- each fully paid up	2,121.73	2,221.73
	<b>2,121.73</b>	<b>2,221.73</b>

## (a) Terms/Rights attached to the Equity Shares &amp; Notes

The Company has only one class of equity shares having par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Board of Directors at its meeting held on 11th August, 2022, approved a proposal to buy-back upto 1,00,00,000 equity shares of the Company for an aggregate amount not exceeding ₹ 2800 Lakhs, being 4.50% of the total paid up equity share capital at ₹ 28 per equity share. The shareholders approved the same on 14th September, 2022, by way of a special resolution through postal ballot. A Letter of Offer was made to all the eligible shareholders. The Company bought back 1,00,00,000 equity shares out of the shares that were tendered by eligible shareholders and extinguished the equity shares on 21st November, 2022. Capital redemption reserve was created to the extent of share capital extinguished (₹ 1 Crore). The cost of buy-back is ₹ 2800 Lakhs (excluding transaction costs such as Brokerage, filing fees, advisory fees, publication expenses, Buy Back Tax, Securities Transaction Tax, GST, Stamp duty and other related expenses etc.) and corresponding tax on buy-back of ₹ 628 Lakhs were adjusted from retained earnings.

## (b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

(₹ in Lakhs)

Equity shares	31st March, 2023	31st March, 2022
	No. of shares	No. of shares
At the beginning of the year	22,21,72,990	22,21,72,990
Less: Buyback of Shares during the year	(1,00,00,000)	-
Add: Issued during the period	-	-
<b>Outstanding at the end of the year</b>	<b>21,21,72,990</b>	<b>22,21,72,990</b>

## (c) Terms of issue of shares other than cash

Pursuant to the Scheme of Arrangement ("the scheme") between Star Ferro and Cement Limited (SFCL), the Company and their respective shareholders as approved by the Hon'ble High Court of Meghalaya at Shillong vide its order dated 31st March, 2015 with effect from 1st April, 2014 being the appointed date, the Company had issued and allotted 21,21,72,990 Equity Shares to the shareholders of SFCL in ratio of 1 (one) Equity share of ₹ 1/- each of the Company as fully paid-up for every 1 (one) Equity Share of ₹ 1/- each held by them in SFCL.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

## (d) Buy Back of Equity Shares

Aggregate number of shares bought back during the period of five years immediately preceding the reporting date.

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Equity shares of ₹ 1 each	1,00,00,000	-	-	-	-

## (e) Details of Shareholders holding more than 5% shares in the Company

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
	No. of Shares % holding	No. of Shares % holding
Equity Shares of ₹ 1/- each fully paid-up		
Shri Sajjan Bhajanka	10690871 5.04%	11234493 5.06%
Smt Santosh Bhajanka	14321274 6.75%	15049500 6.77%
Shri Sanjay Agarwal	13525229 6.37%	14212976 6.40%
Smt Divya Agarwal	13787658 6.50%	14488750 6.52%
Subham Buildwell Private limited.	29596532 13.95%	30929980 13.92%
Brijdham Merchants Private limited.	17349767 8.18%	18231990 8.21%

Note :

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership.

The following table shows the change in promoter holding during the year ended 31st March, 2023

(₹ in Lakhs)

Promoter Name	FY 22-23		% Change during the FY 22-23
	No. of Shares as on 31st March, 2023	% of Total Shares	
Sanjay Agarwal	1,35,25,229	6.37	(0.03)
Sajjan Bhajanka	1,06,90,871	5.04	(0.02)
Rajesh Kumar Agarwal	30,27,062	1.43	(0.01)

The following table shows the change in promoter holding during the year ended 31st March, 2022

(₹ in Lakhs)

Promoter Name	FY 21-22		% Change during the FY 21-22
	No. of Shares as on 31st March, 2022	% of Total Shares	
Sanjay Agarwal	1,42,12,976	6.40	-
Sajjan Bhajanka	1,12,34,493	5.06	-
Prem Kumar Bhajanka	-	-	(2.60)
Rajesh Kumar Agarwal (Became Promoter w.e.f. 22.01.2022, he being son Of Hari Prasad Agarwal, Shares Transmitted to him)	31,80,985	1.43	-

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

## NOTE 14 | OTHER EQUITY

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Capital Reserve	6,087.78	6,087.78
Capital Redemption Reserve	100.00	-
Retained earnings	7,747.11	9,179.76
<b>Total</b>	<b>13,934.89</b>	<b>15,267.54</b>

## (i) Capital Reserve

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Opening balance	6,087.78	6,087.78
Addition/(Deduction) during the period	-	-
<b>Closing balance</b>	<b>6,087.78</b>	<b>6,087.78</b>

## (ii) Capital Redemption Reserve

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Opening balance	-	-
Addition/(Deduction) during the period	100.00	-
<b>Closing balance</b>	<b>100.00</b>	<b>-</b>

## (iii) Retained earnings

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Opening balance	9,179.76	3,491.66
Net profit/(loss) for the period	2,663.77	5,686.42
Less : Appropriations		
Less : Payment of Interim Dividend during the financial year 2022-23	(666.52)	-
Less : Payment for Buyback of Shares ( Including buyback tax)	(3,428.99)	-
Other comprehensive income		
- Remeasurements of post-employment benefit obligation, net of tax	(0.91)	1.68
<b>Closing balance</b>	<b>7,747.11</b>	<b>9,179.76</b>

- (i) The Company had acquired this capital reserve during amalgamation/acquisition in the prior years.
- (ii) In accordance with section 69 of the Companies Act, 2013, the Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from retained earnings.
- (iii) Retained earnings represent the accumulated profit of the Company and effects of remeasurement of defined benefit obligations.

## NOTE 15 | LEASE LIABILITIES

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Lease Liabilities (Refer Note no.38)	73.96	37.35
<b>Total</b>	<b>73.96</b>	<b>37.35</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

## NOTE 16 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Deferred tax asset</b>		
Expenditure allowable for tax purposes upon payment	18.41	18.70
<b>Total deferred tax asset</b>	<b>18.41</b>	<b>18.70</b>
<b>Deferred tax liabilities</b>		
Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	88.50	100.07
<b>Total deferred tax liabilities</b>	<b>88.50</b>	<b>100.07</b>
<b>Net deferred tax asset/(liabilities)</b>	<b>(70.09)</b>	<b>(81.37)</b>

## Movement in deferred tax assets and liabilities:

(₹ in Lakhs)

Particulars	As at 31 March 2021	Recognised in Statement of Profit & loss	Recognised in OCI	As at 31 March 2022	Recognised in Statement of Profit & loss	Recognised in OCI	As at 31 March 2023
Deferred Tax Assets/ (Liabilities)							
Expenditure allowable for tax purposes upon payment	17.85	1.41	(0.57)	18.70	(0.59)	0.30	18.41
Business loss	119.46	(119.46)	-	-	-	-	-
	<b>137.31</b>	<b>(118.05)</b>	<b>(0.57)</b>	<b>18.70</b>	<b>(0.59)</b>	<b>0.30</b>	<b>18.41</b>
Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	(80.31)	(19.76)	-	(100.07)	11.57	-	(88.50)
Deferred tax Liabilities (Net)	<b>57.00</b>	<b>(137.81)</b>	<b>(0.57)</b>	<b>(81.37)</b>	<b>10.98</b>	<b>0.30</b>	<b>(70.09)</b>

## NOTE 17 PROVISION - NON CURRENT

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Provision for employee benefits		
Gratuity [Refer Note no.35(II)]	55.79	55.22
<b>Total</b>	<b>55.79</b>	<b>55.22</b>

## NOTE 18 LEASE LIABILITIES

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Lease Liabilities (Refer Note no.38)	6.89	5.63
<b>Total</b>	<b>6.89</b>	<b>5.63</b>



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)****NOTE 19 | BORROWINGS**

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Secured</b>		
Cash Credit from bank (repayable on demand)	211.51	5.59
Current maturities of long term borrowings	-	37.65
<b>Total</b>	<b>211.51</b>	<b>43.24</b>

Note :

Working Capital facility of ₹ 211.51 Lakhs (₹ 5.59 Lakhs as at 31st March, 2022) from Bank is secured by first charge on the current assets and second charge on the property, plant and equipment of the Company's Ferro Alloys Plant at Byrnihat, Meghalaya (Refer Note no.36)

**NOTE 20 | TRADE PAYABLES**

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
a) Total outstanding dues of micro enterprises and small enterprises (Refer Note no. 55)	-	47.30
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,008.71	929.28
<b>Total</b>	<b>1,008.71</b>	<b>976.58</b>

**20.1. Ageing of outstanding Trade Payables as on 31st March, 2023 from due date of payment**

(₹ in Lakhs)

Particulars	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Other than MSME	702.12	284.04	18.63	-	3.92	1,008.71
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other than MSME	-	-	-	-	-	-
<b>Total</b>	<b>702.12</b>	<b>284.04</b>	<b>18.63</b>	<b>-</b>	<b>3.92</b>	<b>1,008.71</b>

**20.2. Ageing of outstanding Trade Payables as on 31st March, 2022 from due date of payment**

(₹ in Lakhs)

Particulars	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	-	47.30	-	-	-	47.30
(ii) Other than MSME	719.55	204.67	1.81	-	3.25	929.28
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other than MSME	-	-	-	-	-	-
<b>Total</b>	<b>719.55</b>	<b>251.97</b>	<b>1.81</b>	<b>-</b>	<b>3.25</b>	<b>976.58</b>

**NOTE 21 | OTHER FINANCIAL LIABILITIES**

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Employee related liabilities	46.85	34.26
Cess on coal	138.77	140.34
Unpaid Dividend (to be credited to Investor Education and Protection Fund as and when due)	1.81	-
<b>Total</b>	<b>187.43</b>	<b>174.87</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

## NOTE 22 | OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Statutory Liabilities	352.67	254.67
Advances taken from customers	68.64	-
<b>Total</b>	<b>421.31</b>	<b>254.67</b>

## NOTE 23 | PROVISION - CURRENT

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Provision for employee benefits [Refer Note no.35(I) &amp; 35(II)]</b>		
Leave encashment	10.63	12.46
Gratuity	6.74	6.64
<b>Total</b>	<b>17.37</b>	<b>19.10</b>

## NOTE 24 | CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
- Provision for taxation (net of advance tax of ₹952.38 Lakhs as at 31st March, 2023 and ₹ 1,721.37 Lakhs as at 31st March, 2022)	74.07	117.59
<b>Total</b>	<b>74.07</b>	<b>117.59</b>

## NOTE 25 | REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Sale of products	18,098.83	20,736.43
<b>Total</b>	<b>18,098.83</b>	<b>20,736.43</b>

Note:

Reconciliation of revenue as per contract price and as recognised in Statement of Profit and Loss:

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Revenue as per contract price	18,157.78	20,825.65
Less: Discounts and incentives	58.95	89.22
<b>Revenue as per Statement of Profit and Loss</b>	<b>18,098.83</b>	<b>20,736.43</b>

## NOTE 26 | OTHER INCOME

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Interest income		
- On Fixed Deposit	648.87	490.66
- On Loan	22.95	20.26
- On Others	-	2.83
Profit on sale of investment	0.33	0.28
Liability no longer required written back	9.95	-
Miscellaneous receipts	38.30	-
<b>Total</b>	<b>720.40</b>	<b>514.03</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

## NOTE 27 | COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Inventory at the beginning of the year	1,422.16	1,337.54
Add: Purchases	6,562.61	5,480.63
	<b>7,984.77</b>	<b>6,818.17</b>
Less: Inventory at the end of the period	2,101.73	1,422.16
<b>Total</b>	<b>5,883.04</b>	<b>5,396.01</b>

(₹ in Lakhs)

Details of Raw Material Consumption	31st March, 2023	31st March, 2022
Quartz	583.36	560.41
Lam Coke	4,260.58	3,707.33
Millscale	571.54	597.79
Others	467.56	530.48
<b>Total</b>	<b>5,883.04</b>	<b>5,396.01</b>

## NOTE 28 | (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Inventory of finished goods at the beginning of the year	372.15	32.87
Inventory of finished goods at the end of the year	704.55	372.15
<b>Total</b>	<b>(332.40)</b>	<b>(339.28)</b>

## NOTE 29 | EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Salaries & Wages	455.84	477.98
Contribution to Provident and other Funds	30.86	27.89
Employee Welfare Expenses	34.42	23.48
<b>Total</b>	<b>521.12</b>	<b>529.35</b>

## NOTE 30 | FINANCE COSTS

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Interest expenses	24.55	36.06
Interest on Lease	5.81	4.39
Bank Charges & Commission	4.22	22.74
<b>Total</b>	<b>34.58</b>	<b>63.19</b>

## NOTE 31 | DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Depreciation/Amortisation on Property Plant & Equipment	325.22	200.05
Depreciation on right-of-use assets	9.93	8.69
Amortisation of intangible assets	0.15	0.38
<b>Total</b>	<b>335.30</b>	<b>209.12</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

## NOTE 32 | OTHER EXPENSES

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Consumption of Stores & Spares	1,084.78	672.95
Packing Materials	69.07	64.98
Power & Fuel	6,262.26	5,768.17
Repairs & Maintenance		
- Building	33.39	49.22
- Plant & Machinery	108.14	81.74
- Others	7.35	8.77
Insurance	39.94	29.51
Rent	0.14	-
Rates & Taxes	8.99	5.94
Travelling and Conveyance	5.20	5.59
Heavy Vehicle / Equipment Running Expenses	83.47	64.01
Corporate Social Responsibility (refer Note no.44)	53.40	12.58
Miscellaneous expenses (including payment to Auditors, refer Note no.- 43)	492.89	527.22
Outward Freight Charges	216.11	400.32
Commission, Discount & Incentives on Sale	8.21	12.41
Allowances for expected credit loss	225.30	50.45
Provision against Non moving/obsolete items of Stores and spares parts	12.54	-
<b>Total</b>	<b>8,711.18</b>	<b>7,753.86</b>

## NOTE 33 | TAX EXPENSES

## (a) Amount recognised in Statement of Profit and Loss

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>a) Current tax</b>		
Current tax on profits for the year	1,012.77	1,812.53
<b>Total Current tax expense</b>	<b>1,012.77</b>	<b>1,812.53</b>
<b>b) Deferred tax</b>		
Deferred tax expenses	(10.98)	137.81
<b>Total Deferred tax expense</b>	<b>(10.98)</b>	<b>137.81</b>
<b>c) Income tax for earlier years</b>	<b>0.85</b>	<b>1.45</b>
<b>Total Income tax expenses</b>	<b>1,002.64</b>	<b>1,951.79</b>

## (b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Profit from continuing operations before income tax expense	3,666.41	7,638.21
<b>Tax at the Indian tax rate of 25.17%</b>	<b>922.77</b>	<b>1,922.38</b>
Items not deductible/taxable under tax	90.00	8.59
Additional additions/deductions under provisions of the income tax act	-	(118.44)
Tax credit of earlier years reversed	(10.98)	137.81
Other adjustments	0.85	1.45
<b>Income tax expense</b>	<b>1,002.64</b>	<b>1,951.79</b>

- (c) The tax rate used for the financial year 2022-23 and 2021-22 reconciliation above is the Corporate Tax Rate of 25.17% (22% + Surcharge 10% + Education Cess 4%) and 25.17% (22% + Surcharge 10% + Education Cess 4%) respectively payable on taxable profit under Income Tax Act, 1961.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

- (d) During the year, the Company has not surrendered or disclosed any income in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provision of the Income Tax Act, 1961). Accordingly, there are no transaction which are not recorded in the books of account.

**NOTE 34 | EARNINGS PER SHARE**

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Profit after Tax (₹ in Lakhs)	2,663.77	5,686.42
Weighted average number of equity shares outstanding	21,82,82,579	22,21,72,990
Earnings per share:		
Basic and Diluted (in ₹)	1.26	2.56

**NOTE 35 | EMPLOYEES BENEFIT OBLIGATIONS****(I) Leave obligations**

Under leave encashment scheme, the Company allows its employees to encash accumulated leave over and above thirty days at any time during the year. Hence the entire amount of the provision is presented under current liabilities.

**(II) Post-employment obligations****Gratuity**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less than the provisions of The Payment of Gratuity Act, 1972.

- (i) **The amounts recognised in the Balance Sheet and the movement in the net defined benefit obligations over the year are as follows:**

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at 1st April, 2021</b>	<b>58.34</b>	-	<b>58.34</b>
Current service cost	6.62	-	6.62
Interest expense/(income)	4.03	-	4.03
<b>Total amount recognised in Statement of Profit and Loss</b>	<b>10.64</b>	-	<b>10.64</b>
<b>Remeasurements -</b>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	(1.02)	-	(1.02)
Actuarial (gain)/loss from unexpected experience	(1.23)	-	(1.23)
<b>Total amount recognised in other comprehensive income</b>	<b>(2.25)</b>	-	<b>(2.25)</b>
Employer contributions/premium paid	-	-	-
Benefit payments	(4.87)	-	(4.87)
Disposal/Transfer of obligation	-	-	-
<b>As at 31st March, 2022</b>	<b>61.86</b>	-	<b>61.86</b>

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at 1st April, 2022</b>	<b>61.86</b>	-	<b>61.86</b>
Current service cost	7.00	-	7.00
Interest expense/(income)	4.40	-	4.40
<b>Total amount recognised in Statement of Profit and Loss</b>	<b>11.40</b>	-	<b>11.40</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>Remeasurements -</b>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	(0.64)	-	(0.64)
Actuarial (gain)/loss from unexpected experience	1.85	-	1.85
<b>Total amount recognised in other comprehensive income</b>	<b>1.21</b>	<b>-</b>	<b>1.21</b>
Employer contributions/premium paid			
Benefit payments	(11.94)	-	(11.94)
Disposal/Transfer of Asset	-	-	-
<b>31st March, 2023</b>	<b>62.53</b>	<b>-</b>	<b>62.53</b>

**Net asset/(liability) recognised in the balance sheet**

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Present value of Defined Benefit Obligation	(62.53)	(61.86)
Fair Value of Plan Assets	-	-
<b>Net Asset/(Liability) in the Balance Sheet</b>	<b>(62.53)</b>	<b>(61.86)</b>
Current Asset/(liability)	(6.74)	(6.64)
Non-Current Asset/(liability)	(55.79)	(55.22)

**(ii) Significant estimates: actuarial assumptions**

The significant actuarial assumptions were as follows:

Particulars	31st March, 2023	31st March, 2022
Discount rate	7.40%	7.10%
Salary growth rate	6.00%	6.00%
Withdrawal rate	1% to 8%	1% to 8%
Mortality rate	IALM (2012-14) Table Ultimate	IALM (2012-14) Table Ultimate

**(iii) Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Lakhs)

Particulars	Impact on defined benefit obligation			
	31st March, 2023		31st March, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	57.73	68.32	56.74	67.76
Salary growth rate (-/+ 1%)	68.62	57.39	68.01	56.45
Withdrawal rate (-/+ 1%)	63.11	62.16	62.27	61.40

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)****(iv) The major categories of plan assets**

The defined benefit plans are not funded with any Insurance Company of India.

(₹ in Lakhs)

Major Categories of Plan Assets as a percentage of total plan assets	31st March, 2023	31st March, 2022
Funds managed by Insurer	Nil	Nil

**(v) Risk exposure**

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

**Interest risk:**

A decrease in the interest rate on plan assets will increase the plan liability.

**Life expectancy:**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

**Salary growth risk**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

**(vi) Defined benefit liability and employer contributions**

Expected contribution to post-employment benefits plans for the year ending 31st March, 2024 is ₹ 18.82 Lakhs.

The weighted average duration of the defined benefit obligation is 5.98 years (31st March, 2022 : 5.61 years). The expected maturity analysis of undiscounted gratuity is as follows:

(₹ in Lakhs)

Particulars	Less than a year	Between 2- 5 years	Over 5-10 years	Over 10 years
<b>31st March, 2023</b>				
Defined benefit obligation (gratuity)	6.74	8.73	19.04	28.02
<b>Total</b>	<b>6.74</b>	<b>8.73</b>	<b>19.04</b>	<b>28.02</b>
<b>31st March, 2022</b>				
Defined benefit obligation (gratuity)	6.64	14.65	26.66	13.91
<b>Total</b>	<b>6.64</b>	<b>14.65</b>	<b>26.66</b>	<b>13.91</b>

**(III) Provident Fund**

Contribution towards provident fund are recomputed as expenses in the Statement of Profit and Loss. The Company has a defined contribution plan. Under the defined contribution plan, provident fund is contributed to the Government administered provident fund. The Company has no further contractual nor any constructive obligation, other than the contribution payable to the provident fund. The expense recognised during the period towards defined contribution plan is ₹ 19.46 Lakhs (as at 31st March, 2022 : ₹ 17.26 Lakhs)

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

**NOTE 36 | ASSETS PLEDGED AS SECURITY**

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Current</b>		
<b>Financial assets</b>		
First charge		
Inventory	3,266.32	2,466.65
Trade receivables	1,567.65	4,809.20
Loans	255.00	255.00
Cash & Cash Equivalents	9.56	15.39
Bank balances other than above	10,460.97	8,648.00
Other financial assets	148.00	305.38
Other current assets	81.04	567.35
<b>Total current assets pledged as security</b>	<b>15,788.54</b>	<b>17,066.97</b>
<b>Non-current</b>		
Second charge		
Property, plant and equipment	2,026.74	1,756.51
<b>Total non-currents assets pledged as security</b>	<b>2,026.74</b>	<b>1,756.51</b>
<b>Total assets pledged as security</b>	<b>17,815.28</b>	<b>18,823.48</b>

**NOTE 37 | FINANCIAL INSTRUMENTS BY CATEGORY**

(₹ in Lakhs)

Particulars	31st March, 2023			31st March, 2022		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Non-current financial assets</b>						
Security Deposits	-	-	59.13	-	-	56.87
<b>Current financial assets</b>						
Loans to Body Corporate (Other than related parties)	-	-	255.00	-	-	255.00
Trade Receivables	-	-	1,567.65	-	-	4,809.20
Cash and cash equivalents	-	-	9.56	-	-	15.39
Bank balances other than above	-	-	10,460.97	-	-	8,648.00
Other financial assets	-	-	148.00	-	-	305.38
	-	-	12,500.31	-	-	14,089.84
<b>Financial liabilities</b>						
<b>Non current financial liabilities</b>						
Lease Liabilities	-	-	73.96	-	-	37.35
<b>Current financial liabilities</b>						
Borrowings	-	-	211.51	-	-	43.24
Trade Payables	-	-	1,008.71	-	-	976.58
Lease Liabilities	-	-	6.89	-	-	5.63
Other financial liabilities	-	-	187.43	-	-	174.87
	-	-	<b>1,488.50</b>	-	-	<b>1,237.67</b>

**(i) Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

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

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

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

**(ii) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments are determined using discounted cash flow analysis.

**(iii) Fair value of financial assets and liabilities measured at amortised cost**

(₹ in Lakhs)

Particulars	31st March, 2023		31st March, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Security Deposits	59.13	59.13	56.87	56.87
<b>Total financial assets</b>	<b>59.13</b>	<b>59.13</b>	<b>56.87</b>	<b>56.87</b>
<b>Financial liabilities</b>				
Borrowings	-	-	37.65	37.65
Lease Liabilities	80.85	80.85	42.99	42.99
<b>Total financial liabilities</b>	<b>80.85</b>	<b>80.85</b>	<b>80.64</b>	<b>80.64</b>

The carrying amounts of all other financial assets and financial liabilities are considered to be the same as their fair values due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk. The carrying amounts of other borrowings with floating rate of interest are considered to be close to the fair value.

The fair values for financial instruments were calculated based on cash flows discounted using current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

**(iv) Significant estimates**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

**NOTE 38 | LEASE LIABILITIES****Movement of lease liabilities**

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Opening balance</b>	42.99	46.56
Additions	45.74	3.83
Deletions	(1.70)	-
Add: Interest recognised during the year	5.81	4.39
Less: Payments made during the year	(11.99)	(11.79)
<b>Closing balance</b>	<b>80.85</b>	<b>42.99</b>
Current	6.89	5.63
Non-Current	73.96	37.35
<b>Total</b>	<b>80.85</b>	<b>42.99</b>

Notes:

- (i) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.
- (ii) The Company has recognised interest on lease liabilities of ₹ 5.81 Lakhs under Finance Cost (Previous year: ₹ 4.39 Lakhs).
- (iii) The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

**NOTE 39 | CAPITAL MANAGEMENT****(a) Risk management**

The Company's objectives when managing 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, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares .

The amount mentioned under total equity in balance sheet is considered as Capital.

The Company does not have any externally imposed capital requirements.

**NOTE 40 | FINANCIAL RISK MANAGEMENT**

The Company's activities are exposed to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

(₹ in Lakhs)

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost.	Ageing analysis	Diversification of customer base
Liquidity risk	Financial liabilities that are settled by delivering cash or another financial asset.	Cash flow forecasts	Projecting cash flows and considering the level of liquid assets necessary to meet the liabilities.
Market risk – interest rate	Long-term borrowings at fixed rates	Sensitivity analysis	Portfolio of loan contains fixed interest loans from financial institutions.
market risk foreign exchange risk	Future commercial transactions and recognised financial assets & liabilities not denominated in Indian National Rupee (₹).	Cash flow forecasting Sensitivity analysis	Projecting cash flows and considering the forecast of fluctuation in exchange rates
Market risk - price risk	Investments in equity securities	Sensitivity analysis	Continuous monitoring the performance of investments

**(A) 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) including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

**(i) Trade receivables**

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying 30 days credit terms. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically. The ageing of trade receivables as of balance sheet date is given below. The age analysis have been considered from the due date:

(₹ in Lakhs)

Particulars	Not due	Less than 6 months	6 months - 1 year	> 1 year	Total
Trade receivable as on 31st March, 2023	1,205.72	361.93	-	-	1,567.65
Trade receivable as on 31st March, 2022	3,996.50	811.07	1.63	-	4,809.20

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)****(ii) Financial instruments and deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's finance department. For banks and financial institutions, only high rated banks/institutions are accepted.

Financial assets are considered to be of good quality and there is no significant credit risk.

The Company's maximum exposure to credit risk for the components of the Balance Sheet at 31st March, 2023 and 31st March, 2022 is the carrying amounts as illustrated in Note no. 37

**(iii) The movement of Advances to suppliers for goods and services and Allowance for Expected Credit Loss thereto are as follows:**

(₹ in Lakhs)

Particulars	Note	31st March, 2023	31st March, 2022
Advances to suppliers for goods and services	12	281.02	293.55
Less: Allowances for Expected Credit loss	12	(275.75)	(50.45)
Advances to suppliers for goods and services (Net)		5.27	243.10

**(iv) Reconciliation of Allowance for Expected Credit Loss:**

(₹ in Lakhs)

Particulars	Advances to suppliers for goods and services
Allowance for Expected Credit Loss as on 31st March, 2022	50.45
Net Allowance for Expected Credit Loss	225.30
Bad Debts / Advances written off	-
Allowance for Expected Credit Loss as on 31st March, 2023	275.75

**(B) Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the underlying business, the Company maintains sufficient cash and liquid investments available to meet its obligation.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The management also considers the cash flows projection and level of liquid assets necessary to meet these on a regular basis.

**(i) Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Floating Rate		
- Expiring within one year (bank overdraft and other facilities)	2,788.49	2,994.41
	<b>2,788.49</b>	<b>2,994.41</b>

The bank overdraft facilities may be drawn at any time and may be terminated by the Bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in Indian Rupees.

**Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(₹ in Lakhs)

Contractual maturities of financial liabilities - 31st March, 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Trade payables	986.16	18.63	3.92	-	1,008.71
Borrowings	211.51	-	-	-	211.51
Interest payable on above borrowings	-	-	-	-	-
Lease Liabilities	6.89	7.56	22.23	44.17	80.85
Other financial liabilities	187.43	-	-	-	187.43
<b>Total financial liabilities</b>	<b>1,391.99</b>	<b>26.19</b>	<b>26.15</b>	<b>44.17</b>	<b>1,488.50</b>

(₹ in Lakhs)

Contractual maturities of financial liabilities - 31st March, 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Trade payables	971.52	1.81	3.25	-	976.58
Borrowings	43.24	-	-	-	43.24
Interest payable on above borrowings	1.63	-	-	-	1.63
Lease Liabilities	5.63	3.39	12.10	21.86	42.99
Other financial liabilities	174.87	-	-	-	174.87
<b>Total financial liabilities</b>	<b>1,196.89</b>	<b>5.20</b>	<b>15.35</b>	<b>21.86</b>	<b>1,239.31</b>

**(C) Market risk – 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 the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31st March, 2023, the Company's borrowings at variable rate were mainly denominated in Indian Rupees.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**(a) Interest rate risk exposure****On Financial Liabilities:**

The exposure of the Company's financial liabilities to interest rate risk is as follows:

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Variable rate borrowings	211.51	5.59
Fixed rate borrowings	-	37.65
<b>Total borrowings</b>	<b>211.51</b>	<b>43.24</b>

**(b) Sensitivity**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates as below:

(₹ in Lakhs)

Particulars	Impact on profit before tax	
	31st March, 2023	31st March, 2022
Interest expense rates – increase by 50 basis points	(1.06)	(0.03)
Interest expense rates – decrease by 50 basis points	1.06	0.03

\* Holding all other variables constant



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)****(D) Market risk – Foreign currency risk**

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Further foreign exchange risk also arises from future cash flow against foreign currency loan. The risk is measured through a forecast of highly probable foreign currency cash flows.

**(E) Market risk – Price risk**

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

The Company's exposure to equity securities price risk arises from investments held by the Company in equity securities and classified in the Balance Sheet as at fair value through profit and loss. The Company has investment in quoted and unquoted equity securities. Investment is done in accordance with the limits set by the Company. The Company's Board of Directors reviews and approves all investment decisions.

**NOTE 41 | RELATED PARTY DISCLOSURES****I. Name of the related parties and related party relationship:**

Sl. No.	Names of the related parties where control exists	Nature of relationship
A	Star Cement Limited	Enterprise Owned/Influences by KMP
	Suhag Overseas Trading Private Limited	Enterprise Owned/Influences by KMP
B	<b>Key Management Personnel</b>	<b>Nature of Relationship</b>
	Mr.Aditya Vimalkumar Agrawal	Managing Director
	Mr. Sumanta Kumar Patra	Chief Executive Officer & Whole Time Director (Whole Time Director w.e.f 17th May, 2022)
	Mr. Rajesh Agarwal	Non - Executive Director
	Mr.Nirmalya Bhattacharyya	Non - Executive Director
	Mr.Pramod Kumar Shah	Non - Executive Director
	Mrs.Plistina Dkhar	Non - Executive Director
	Mr. Uday Bahadur Chetri	Chief Financial Officer
	Ms. Neha Agarwal	Company Secretary (upto 26th May, 2022)
	Ms. Ritu Agarwal	Company Secretary (w.e.f. 27th May, 2022)

**II. Details of transactions between the Company and related parties and the status of outstanding balance as at 31st March, 2023 and 31st March, 2022 are given hereunder:**

(₹ in Lakhs)

Sl. No.	Type of Transactions	Key Management Personnel		Enterprise Owned/ Influences by KMP	
		2022-23	2021-22	2022-23	2021-22
<b>1</b>	<b>Loan Given</b>				
	Suhag Overseas Trading Private Limited	-	-	-	30.00
<b>2</b>	<b>Interest Received</b>				
	Suhag Overseas Trading Private Limited	-	-	2.70	0.01
<b>3</b>	<b>Remuneration Paid</b>				
	Mr. Sumanta Kumar Patra	24.36	21.69	-	-
	Mr. Uday Bahadur Chetri (including contribution towards Provident Fund for the current year - ₹ 0.22 Lakhs and for the previous year - ₹ 0.22 Lakhs )	11.40	10.28	-	-
	Mr. Aditya Vimalkumar Agarwal	50.00	120.83	-	-
	Ms. Neha Agarwal	-	9.61	-	-
	Ms. Ritu Agarwal	6.84	-	-	-

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(₹ in Lakhs)

S I. No.	Type of Transactions	Key Management Personnel		Enterprise Owned/ Influences by KMP	
		2022-23	2021-22	2022-23	2021-22
<b>4</b>	<b>Dividend Paid</b>				
	Mr. Aditya Vimalkumar Agarwal	12.00	-		
	Mr. Rajesh Agarwal	9.54	-		
<b>5</b>	<b>Director Sitting Fees</b>				
	Mr.Nirmalya Bhattacharyya	1.75	0.80	-	-
	Mr.Pramod Kumar Shah	1.60	0.90	-	-
	Mrs.Plistina Dkhar	0.10	0.10	-	-
<b>6</b>	<b>Reimbursement</b>				
	Ms. Ritu Agarwal	0.02	-	-	-
<b>7</b>	<b>Outstanding Balances</b>				
	Suhag Overseas Trading Private Limited	-	-	32.43	30.01

(₹ in Lakhs)

III.	Key management personnel compensation	31st March, 2023	31st March, 2022
	Short-term employee benefits	92.60	162.41
	Post-employment benefits (refer ii below)	-	-
	Long-term employee benefits (refer ii below)	-	-
	<b>Total compensation</b>	<b>92.60</b>	<b>162.41</b>

- i) The sales to and purchases from related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.
- ii) Post-employment benefits and long-term employee benefits are determined on the basis of actuarial valuation for the Company as a whole and hence segregation is not available.

**NOTE 42 | CONTINGENT LIABILITIES & COMMITMENTS****(i) Capital and Other Commitments**

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Commitment for Acquisition of Property, plant & Equipement (Net of Advance)	148.4	-

**(ii) Contingent Liabilities**

(₹ in Lakhs)

Particulars	31st March, 2023	31st March, 2022
Claims against the Company not acknowledged as debts - Excise / VAT / Income Tax matters etc.	2,317.00	1,851.32

Note : Based on legal opinion / decisions in similar cases, the Management believes that the Company has a fair chance of favourable decisions in cases mentioned here-in-above and hence no provision is considered necessary. The amounts shown above represent the possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants, as the case may be and, therefore, cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

- (a) On the basis of the direction of the High Court of Meghalaya dated 30th August, 2018 following the decision of the Supreme Court dated 10th November, 2017 passed in SRD Nutrients Private limited. Vs. Commissioner of Central Excise, Guwahati, Company has received a refund of Education Cess and Secondary & Higher Education Cess amounting to ₹ 112 Lakhs (approx) in earlier years. However, the Apex court vide its Order dated 6th December, 2019 have taken a contrary view in the matter of M/s Unicorn Industries Vs Union of India and Others. Based on the later

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

judgement a demand letter was raised by the department to refund the amount granted. As the Order dated 30th August 2018, has attained its finality and the refund was granted accordingly, the Company has preferred a writ petition before the Meghalaya High Court against the above demand letter. Meghalaya High Court has stayed the said demand vide its order dated 16th June, 2020. The final hearing of the case is yet to be conducted before the Meghalaya High Court. Based on the legal advice obtained by the Company from External Counsel as well as its own assessment, there is every likelihood that the said demand will be quashed and therefore no provision have been taken in the books of account.

- (b) In respect of demand notice dated 19th February, 2020 received by the Company from Director of Mineral Resources, Meghalaya, for payment of royalty, MEPRF, VAT/GST for ₹ 1,739 Lakhs (approx) in pursuance to the National Green Tribunal (NGT) Order dated 17th January, 2020 passed in O.A. No. 110(TCH)/2012 for alleged illegal coal procurement. By passing the said order NGT has accepted the Recommendation of the 5th Interim Report of the Independent Committee set up by NGT, which has suggested imposition of penalty on Cement Companies and Thermal Power Plants in Meghalaya. The Company has not purchased any illegal coal and has complied with all disclosure requirements of the various Government Departments. The Report of NGT Committee has been founded on the basis of assumptions and views of the Committee and not on hard facts. Further to note that the Company has neither been issued a show-cause nor any opportunity of being heard was given to the Company before submitting the Interim reports by the Independent Committee to NGT. Even NGT has not served any notice on the Company before passing the impugned order dated 17th January, 2020 which is clear violation of principles of natural justice. The Company backed by the legal opinions, believes that it has a good case in the matter as the said order was issued based on certain hypothetical assumptions and views and not on hard facts. No opportunity of being heard was provided to the Company either by NGT committee or by NGT itself which passed order without going into the merits & facts and accepted the recommendations of 5th Interim Report. In addition, the Committee also recommended that an amount of ₹ 400/MT of coal to be utilised by SCFL (and other plants) on or after the date of the order shall be directed to be deposited in the MEPRF, which comes to ₹ 446 Lakhs(approx). Therefore, there is every likelihood of the Demand Notice and the order of the NGT being set aside. The Company has preferred an appeal before the Supreme Court of India against the NGT. By way of the Judgment dated 2nd May, 2023, the Supreme Court has set aside the Order of the NGT dated 17th January, 2020 and demanded back by NGT and accordingly, no provision has been made in the accounts.

**NOTE 43 | PAYMENT TO AUDITORS**

(₹ in Lakhs)

Nature of Expenditure	31st March, 2023	31st March, 2022
<b>As Auditor</b>		
- Statutory Audit Fees (including quarterly audit fees)	2.00	1.75
- Certification Fees	0.40	1.50
- Reimbursement Expense	0.32	-
<b>Total</b>	<b>2.72</b>	<b>3.25</b>

**NOTE 44 | CORPORATE SOCIAL RESPONSIBILITY**

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting, education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural developments projects.

44.1 A CSR Committee has been formed by Company as per the Companies Act, 2013. The funds were primarily utilised through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

- a) Gross Amount required to be spent by the Company during the year is ₹ 51.74 Lakhs (as at 31st March, 2022, ₹ 10.61 Lakhs)

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

b) Amount spent during the year :

Sl. No.	Nature of Expenditure	2022-23	2021-22
<b>A.</b>	<b>Construction/Acquisition of any asset</b>	-	-
<b>B.</b>	<b>On Purposes other than above :</b>		
(i)	Education	30.87	-
(ii)	Animal Welfare	22.00	11.26
(iii)	Health and Sanitation	0.53	1.32
	<b>Total</b>	<b>53.40</b>	<b>12.58</b>

c)

Sl. No.	Nature of Expenditure	2022-23	2021-22
(i)	Amount required to be spent by the group during the year	51.74	10.61
(ii)	Amount of expenditure incurred	53.40	12.58
(iii)	Shortfall at the end of the year	-	-
(iv)	Total of previous years shortfall	-	-
(v)	Reason for shortfall	Not Applicable	Not Applicable
(vi)	Nature of CSR activities	Education, Animal welfare and Health and Sanitation	
(vii)	Details of related party transactions, e.g. Contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	Not Applicable	Not Applicable
(viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	Not Applicable	Not Applicable
	<b>Total</b>		

**NOTE 45** The Company has not been declared a wilful defaulter by any bank/financial institution/government/any government authority.

**NOTE 46** The Company has not traded or invested in crypto currency or virtual currency during the current year or previous year.

**NOTE 47** The borrowings obtained by the Company from banks have been applied for the purposes for which such loans were taken.

**NOTE 48** The Company has not entered into any scheme of arrangements which has an accounting impact on current or previous financial years.

**NOTE 49** No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) [formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)] and Rules made thereunder.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)**

**NOTE 50** | The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 during the financial year

- NOTE 51** | (i) The Company has not advanced or loaned or invested funds (either borrowed funds or security premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (ii) The Company have not received any fund from any person(s) or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

**NOTE 52** | There are no charges or satisfaction of charges which are yet to be registered with the Registrar of Companies beyond the statutory period.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

## NOTE 53 | RATIO ANALYSIS

Sl. No.	Name of the Ratios	Numerator	Denominator	31st March, 2023	31st March, 2022	Variance (in %)	Remarks
1	Current Ratio	Current Assets	Current Liabilities	8.19	10.72	-23.6%	
2	Debt- Equity Ratio	Total Debt (Long term + Short term borrowing)	Equity (Share Capital + Other equity)	0.013	0.002	432.7%	This change in ratio is due to increased utilisation of cash credit.
3	Debt Service Coverage Ratio	Earning available for debt service	Debt Service	59.64	36.33	64.2%	This change in ratio is on account of repayment of all long term borrowings.
4	Return on Equity Ratio	Net Profit after Tax	Average Equity Share Capital (incl. other equity) (i)	0.16	0.39	-59.3%	This change in ratio is due to decrease in Profit after tax
5	Inventory Turnover Ratio	Sales	Average Inventory (ii)	6.31	9.75	-35.3%	This change in ratio is due to decrease in revenue from operations.
6	Trade Receivables Turnover Ratio	Sales	Average Trade Receivable (iii)	5.68	5.91	-4.0%	
7	Trade Payables Turnover Ratio	Total Purchase	Average Trade Payable (iv)	6.61	11.43	-42.1%	Decline in ratio is due to increase in purchase price of raw materials.
8	Net Capital Turnover Ratio	Sales	Working Capital	1.31	1.34	-2.6%	
9	Net Profit Ratio	Net Profit after Tax	Sales	0.15	0.27	-46.3%	This change in ratio is due to decrease in revenue from operations and corresponding Profit after tax.
10	Return on Capital Employed	Earning Before Interest & Tax (EBIT)	Capital Employed (v)	0.23	0.44	-48.3%	Decline in ratio is primarily due to decrease in equity arising on account of decrease in EBIT.
11	Return on Investment	Interest on Fixed Deposits	Average Investment (vi)	0.068	0.07	2.5%	

(i) Average Equity Share Capital :- (Opening Equity (incl. other equity) +Closing Equity (incl. other equity ))/2

(ii) Average Inventory :- (Opening Inventory+Closing Inventory)/2

(iii) Average Trade Receivable :- (Opening Trade Receivable+Closing Trade Receivable)/2

(iv) Average Trade Payable :- (Opening Trade Payable+Closing Trade Payable)/2

(v) Capital Employed :- (Equity (incl. other equity) + Current Borrowing + Non Current Borrowing+ Lease liability)

(vi) Average Investment :- (Opening Fixed deposit + Closing fixed deposit)/2



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

### NOTE 54 | RECONCILIATION OF STOCK STATEMENT

The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facility, which are in agreement with the books of account other than those as set out below :

Name of the Bank	Aggregate working capital limits sanctioned (*)	Quarter ended	Amount disclosed as per quarterly return/statement *	Amount as per books of account *	Difference	Reason for variance	
HDFC Bank	3,000.00	30th June, 2021	1,631.35	1,679.88	(48.53)	The difference is due to variation in stock valuation rate as valuation is based on previous month's cost sheet.	
	3,000.00	30th June, 2022	3,046.40	3,081.18	(34.78)	The difference is due to variation in stock valuation rate as valuation is based on previous month's cost sheet.	
	3,000.00	30th September, 2021	1,201.68	1,206.47	(4.79)	The difference is due to variation in stock valuation rate as valuation is based on previous month's cost sheet.	
	3,000.00	30th September, 2022	4,182.89	4,185.39	(2.50)	The difference is due to variation in stock valuation rate as valuation is based on previous month's cost sheet.	
	3,000.00	31st December, 2021	1,479.08	1,481.39	(2.31)	The difference is due to variation in stock valuation rate as valuation is based on previous month's cost sheet.	
	3,000.00	31st December, 2022	2,721.52	2,708.58	12.94	The difference is due to variation in stock valuation rate as valuation is based on previous month's cost sheet.	
	3,000.00	31st March, 2022	2,466.65	2,466.65	-	The difference is due to variation in stock valuation rate as valuation is based on previous month's cost sheet.	
	3,000.00	31st March, 2023	4,703.58	3,825.26	878.32	Impact on inventory for sales reversal wherein risk/rewards were not transferred to the customers within period end was not considered in returns/statement submitted to the Bank.	

\* Working capital sanctioned calculated as - : Inventory + Trade Receivables - Trade Payables

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

**NOTE 55 | MICRO, SMALL AND MEDIUM ENTERPRISES**

Based on the information/documents available with the Company, information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 is as under:

(₹ in Lakhs)		
Particulars	31st March, 2023	31st March, 2022
(i) Principal amount remaining unpaid to any supplier at the end of the accounting year (including retention money against performance)	-	46.70
(ii) Interest due on above	-	0.61
<b>Total of (i) &amp; (ii)</b>	<b>-</b>	<b>47.30</b>
(iii) Amount of interest paid by the Company to the suppliers in terms of Section 16 of the Act.	2.61	-
(iv) Amount paid to the suppliers beyond the respective appointed date.	86.84	-
(v) Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	-	-
(vi) Amount of interest accrued and remaining unpaid at the end of accounting year.	-	-
(vii) 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 this Act.	-	-

**NOTE 56** | The Company is primarily engaged in the manufacture and sale of ferro silicon. There are no separate reportable segments as per Ind AS 108, 'Operating Segments'.

**NOTE 57** | Previous year's figures have been rearranged and/or regrouped, wherever necessary

For **D. K. Chhajer & Co.**  
Chartered Accountants  
Firm Registration No. 304138E

For and on behalf of the Board of Directors

**Neha Maheshwari**  
Partner  
Membership No :308616

**Sumanta Kumar Patra**  
Chief Executive Officer and Whole  
Time Director  
DIN : 09607152

**Aditya Vimalkumar Agrawal**  
Managing Director  
DIN : 03330313

**Rajesh Kumar Agarwal**  
Director  
DIN : 00223718

Place: Kolkata  
Date: 19th May, 2023

**Uday Bahadur Chetri**  
Chief Financial Officer

**Ritu Agarwal**  
Company Secretary

# SHYAM CENTURY FERROUS LIMITED

CIN: L27310ML2011PLC008578

Regd. Office: Vill: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210

Corporate Office: 'Century House', 2nd Floor, P 15/1, Taratala Main Road, Kolkata- 700 088

Tel: 033- 24015555, Email: investors@shyamcenturyferrous.com

Website: www.shyamcenturyferrous.com

## NOTICE TO THE SHAREHOLDERS

**NOTICE** is hereby given that the **TWELFTH ANNUAL GENERAL MEETING** of the Members of **Shyam Century Ferrous Limited** will be held on **Thursday, 28th September, 2023 at 02:00 P.M.** (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") facility to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2023 and the Reports of Board of Directors and Auditors thereon.
2. To confirm the interim dividend @30% (i.e. ₹ 0.30 per equity share of ₹ 1 each) declared and paid for the Financial Year 2022-23.
3. To appoint a Director in place of Mr. Aditya Vimalkumar Agrawal (DIN: 03330313), who retires by rotation and being eligible, offers himself for re-appointment.
4. **To revise the remuneration of Statutory Auditors of the Company**

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 Sections 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to the recommendations of the Audit Committee and the Board of Directors the remuneration payable to M/s. D. K. Chajjer & Co., Chartered Accountants (Firm Registration Number: 304138E), Statutory Auditors of the Company which was fixed at the 10th Annual General Meeting of the Company held on 30th September, 2021 for a period of 5 years, be and is hereby revised effective from Financial year 2023-24 for remaining period of its tenure as set out in the explanatory statement annexed to this notice."

### SPECIAL BUSINESS:

5. **Ratification of Remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2024**

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(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the Members of the Company be and is hereby accorded to ratify and confirm the remuneration of ₹ 60,000 (Rupees Sixty thousand only) plus applicable taxes and re-imburement of out of pocket expenses incurred, if any to be paid to M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration Number: 000064), appointed by the Board of Directors on the recommendation of the Audit Committee as the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2024;

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or Company Secretary of the Company, be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. **Approval for Material Related Party Transactions**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or

## NOTICE (Contd.)

enactment thereof for the time being in force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorised by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) upto an amount of ₹ 25 Crore in a Financial Year entered or to be entered into by the Company with Meghalaya Power Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1) (zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting, for the Financial Year 2023-24 & 2024-25;

**RESOLVED FURTHER THAT** the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/modification/ratification/amendments to or termination thereof, of the subsisting arrangements/ transactions/contracts or any future arrangements/ transactions/contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/transactions/contracts with the Related parties."

7. **Approval for Material Related Party Transactions**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorised by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/transactions/contracts (including

any other transfer of resources, services or obligations) upto an amount of ₹ 25 Crore in a Financial Year entered or to be entered into by the Company with Star Cement Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1) (zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting, for the Financial Year 2023-24 & 2024-25;

**RESOLVED FURTHER THAT** the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/modification/ratification/amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/transactions/contracts with the Related parties."

8. **Approval for Material Related Party Transactions**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorised by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) upto an amount of ₹ 10 Crore in a Financial Year entered or to be entered into by the Company with Star Cement (I) Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1) (zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting, for Financial Year 2023-24 & 2024-25;

## NOTICE (Contd.)

**RESOLVED FURTHER THAT** the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/ modification/ratification/amendments to or termination thereof, of the subsisting arrangements/ transactions/contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/transactions/contracts with the Related parties."

9. **Approval for Material Related Party Transactions**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings,

consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorised by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) upto an amount of ₹ 10 Crore in a Financial Year entered or to be entered into by the Company with Star Cement North East Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting, for Financial Year 2023-24 & 2024-25;

**RESOLVED FURTHER THAT** the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/modification/ratification/amendments to or termination thereof, of the subsisting arrangements/ transactions/contracts or any future arrangements/ transactions/contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transactions/ contracts with the Related parties."

Registered Office:  
Vill: Lumshnong, P.O.: Khaliehriat  
Dist.: East Jaintia Hills  
Meghalaya - 793210

Date: 8th August, 2023  
Place: Kolkata

By Order of the Board  
For **Shyam Century Ferrous Limited**

**Ritu Agarwal**  
Company Secretary

NOTICE (Contd.)

NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.

Additional information, pursuant Regulation 36(5) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended with respect to increase in remuneration of the Statutory Auditors of the Company, as proposed under Item No. 4 of this Notice under Ordinary Business, is also provided in the Explanatory Statement.

The Board of Directors of the Company at its meeting held on 8th August, 2023 considered that the special businesses as specified in the Notice convening the meeting under Item Nos. 5 to 9 being considered unavoidable, be transacted at the twelfth Annual General Meeting.

2. The Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated 5th May, 2020 and General Circular no. 10/2022 dated 28th December, 2022 in relation to clarification on holding of Annual General Meeting ('AGM') through video conferencing ('VC') or other audio visual means ('OAVM') read with General Circulars Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 22/2020 dated 15th June, 2020, 33/2020 dated 28th September, 2020, 39/2020 dated 31st December, 2020, 10/2021 dated 23rd June, 2021, 19/2021 dated 8th December, 2021 and Circular No. 2/2022 dated 5th May, 2022 in relation to 'Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19' and General Circular No. 02/2021 dated 13th January, 2021 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 in relation to 'Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - COVID-19 pandemic' and Circular Nos. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated 13th May, 2022 (collectively referred to as 'SEBI Circulars') permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM facility, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing

Regulations") read with MCA and SEBI Circulars, the 12th AGM of the Company is being held through VC / OAVM on Thursday, **28th September, 2023 at 02:00 P.M (IST)**. The deemed venue for the Twelfth Annual General Meeting shall be the Registered office of the Company.

3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map of the AGM venue are not annexed to this Notice.
4. Pursuant to Section 113 of the Act, Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or Governing body Resolution/Authorisation etc., authorising its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorisation shall be sent to the Scrutiniser by email through its registered email address to scrutinizermkb@gmail.com with a copy marked to evoting@nsdl.co.in
5. Institutional/Corporate shareholders (i.e., other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.
6. Pursuant to the MCA circulars, Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Details as required in Regulation 36(3) of the SEBI Listing Regulations, Companies Act, 2013 and Secretarial Standard on General Meeting (SS-2) of ICSI in respect of the Director seeking appointment/ re-appointment at the Annual General Meeting, forms an integral part of the Notice. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.
8. The Board of Directors of the Company at its Board Meeting held on 11th August, 2022, had declared an interim dividend of ₹ 0.30 per equity share of Rs. 1 each fully paid up share of the Company, which was paid to those members whose names appeared on the Company' s Register of Members and as Beneficial owners as at close of business hours of 24th August, 2022. The Dividend was paid electronically in the Members Bank Account.



## NOTICE (Contd.)

The Board has not recommended any further dividend for the year ended 31st March, 2023 and as such the aforesaid Interim Dividend be treated as final Dividend.

9. Members are requested to note that dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of which dividends have not been encashed consecutively for a period of 7 years, are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.
10. Pursuant to Section 124 of the Companies Act, 2013, the unpaid dividends that are due to transfer to the Investor Education and Protection Fund (IEPF) are as follows:

Financial Year	Date of Declaration	Tentative Date for transfer to IEPF
FY 21-22 (Interim)	11th August, 2022	17th September, 2029

Members who have not encashed their dividend warrants/drafts pertaining to the aforesaid years may approach the Company/its Registrar, for obtaining payments thereof atleast 30 days before they are due for transfer to the said fund.

11. Pursuant to Regulation 12 of SEBI (LODR) payment of dividend, will be made only by electronic mode directly into the bank account of Members and no dividend warrants or demand drafts will be issued without bank particulars. Please submit bank details along with an original cancelled cheque or Xerox copy of the cheque to our Registrars in case you hold shares in physical form and to your Depository Participants in case shares held in demat. This will facilitate to make payment of dividend as per aforesaid Regulation as and when declared. Members holding shares in the physical form are requested to notify changes in address, email id, bank mandate and bank particulars, if any, under their signatures to M/s. Maheshwari Datamatics Private Limited, 23 R. N. Mukherjee Road, 5th Floor, Kolkata – 700001, the Registrars and Share Transfer Agents (RTA) of the Company, quoting their Folio numbers. Members holding shares in electronic form may update such information with their respective Depository Participants.
12. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form

No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website under Investor information at <https://shyamcenturyferrous.com/investors/investors-informations.php> and is also available on the website of the RTA at <https://www.mdpl.in/>. Members are requested to submit the said details to their Depository Participants in case the shares are held by them in dematerialised form and to the Company's Registrar and Share Transfer Agent ('RTA') in case the shares are held by them in physical form, quoting their folio number.

13. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates alongwith the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialised form.
14. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
15. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number ('PAN'), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFS code, etc.,
16. **For shares held in electronic form:** to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the Members.
  - For shares held in physical form: to the Company's RTA in prescribed Form.

Form for registration of PAN, email address, bank account details, mobile number, registered address and other KYC details or changes/update thereof	Form ISR -1
Update signature of securities holder	Form ISR -2

NOTICE (Contd.)

For nomination as provided in the Rule 19(1) of Companies (Share Capital and Debentures) Rules, 2014	Form SH-13
Declaration to opt-out from nomination	Form ISR-3
Cancellation of nomination by the holder(s) (along with ISR-3)/ Change of Nominee	Form SH-14

The above forms can be downloaded from the Investors Information - KYC Details & Nomination available on the Company's website at <http://shyamcenturyferrous.com/wp-content/uploads/2022/07/KYC-details-and-Nomination.pdf> and is also available on the website of the RTA at <https://www.mdpl.in/>.

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 and clarification issued vide Circular No. SEBI/ HO/ MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated 14th December, 2021 circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/8 dated 25th January, 2022 and circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated 16th March, 2023 has simplified the process for servicing investor requests Accordingly, the companies shall process the following service requests viz. issue of duplicate securities certificate; renewal/exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition in dematerialised form only. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard. As per the aforesaid circulars SEBI has mandated all listed Companies to record/ update the KYC details i.e., PAN, Nomination and Bank Account details of the first holder for the shares held in physical mode. Members holding shares in physical form are requested to ensure the aforesaid KYC details are updated with the Company's Registrar and Share Transfer Agents, M/s. Maheswari Datamatics Private Limited ("RTA") before 30th September, 2023. Any folios for which PAN, KYC and nomination details are missing on or after 1st October, 2023, shall be frozen and will be ineligible for lodging a grievance/service request. Such folios will also be ineligible for receipt of any payment, including dividends, through the physical mode. The said folios shall be frozen. In case, the folios continue to remain frozen, till 31st December, 2025, the same shall be referred to the Administering Authority under the Benami Transactions (Prohibitions) Act, 1988 and Prevention of Money Laundering Act, 2002.

17. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/ MIRSD\_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed companies to issue securities in dematerialised form only while processing service requests, viz., Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the Investors Information available on the Company's website at <http://shyamcenturyferrous.com/wp-content/uploads/2022/07/KYC-details-and-Nomination.pdf> and is also available on the website of the RTA at <https://www.mdpl.in/>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
18. SEBI vide its notification dated 24th January, 2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard. A guidance notes on procedure for dematerialisation of shares held in physical form is also placed on the website of the Company under 'Investors' section.
19. Members seeking any information with regard to the financial statements or any other matter to be placed at the 12th AGM, can send the same at Company's email address at [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com) from their registered email address, mentioning their name, DP ID and Client ID number/folio number and mobile number on or before 18th September, 2023 by 05:00 p.m. (IST). The same will be replied by the Company suitably.
20. Electronic copies of the documents referred to in the Notice of the 12th AGM of the Company and the Explanatory Statement shall be available for inspection by the members in electronic mode. Members may inspect the same by sending an email to [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com).
21. Members may note that in terms of Notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs, no further ratification of appointment of Auditors would be required by the Members at every interim

## NOTICE (Contd.)

- Annual General Meeting. Hence, said item has not been included in the notice convening the Annual General Meeting.
22. In compliance with the MCA Circular and SEBI Circular issued from time to time, the Notice of the AGM along with the Annual Report for 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice of the AGM and the Annual Report will also be available on the Company's website at [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com) and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange Limited for their download. The Notice will also be available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- For Members whose Email ID's are not registered :-
    - a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested scanned copy of PAN card, self-attested scanned copy of any document (such as/Aadhar card/latest Electricity Bill/latest Telephone/Mobile Bill/ Driving License/Passport/Voter ID Card/ Bank Passbook particulars) at [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com) or to M/s. Maheswari Datamatics Private Limited at [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) or members may send the "E-communication registration form" enclosed with this Notice to the Company or to the RTA.
    - b) Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.
23. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or its RTA, the details of such folios together with the share certificates and self-attested copies of the PAN for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or its RTA for assistance in this regard.
24. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, 22nd September, 2023 to Thursday, 28th September, 2023 (both days inclusive)**.
25. During the 12th AGM, Members may access the scanned copies of 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 Memorandum and Articles of Association of the Company, upon Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>.
26. In compliance with the provision of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, read with relevant MCA and SEBI circulars and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020, 5th May, 2020 and 5th May, 2022, the Company is pleased to provide the facility of remote e-voting and e-voting during the AGM to all the Members to enable them to cast their vote electronically in respect of business to be transacted at the Meeting, for which the Company has engaged the services of National Securities Depository Limited (NSDL). The Members holding shares either in physical form or in dematerialised form, desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.
27. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **21st day of September, 2023** are entitled to vote on the Resolutions set forth in this Notice and a person who is not a Member as on cut-off date should treat this notice for information purpose only. The Members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). Members who have acquired shares after the dispatch of the Notice of Annual General Meeting and before the cut-off date may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.
28. The Companies (Management and Administration) Rules, 2014, as amended provides that the electronic voting period shall remain open for atleast three days and shall close at 5.00 p.m. on the date preceding the date of the AGM. Accordingly, the remote e-voting period will commence at **9.00 a.m. on Sunday, 24th September, 2023 and will end at 5.00 p.m. on**

**NOTICE (Contd.)**

**Wednesday, 27th September, 2023.** The Company has appointed M/s MKB & Associates, Practicing Company Secretary (Firm Registration No.- P2010WB042700), to act as the Scrutiniser, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting.

29. The Scrutiniser shall after the conclusion of Annual General Meeting, first download the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting and shall submit the consolidated scrutiniser's report, within 2 (two) working days of conclusion of General Meeting to the Managing Director or any other person authorised by the Board. The results declared along with the consolidated scrutiniser's report shall be placed on the website of the Company i.e., [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com) and also be displayed on the Notice board of the Company at its registered office and on the website of NSDL i.e. [www.nsdl.co.in](http://www.nsdl.co.in) immediately after the results are declared. The results shall simultaneously be communicated to the Stock Exchanges.
30. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e., Thursday, 28th September 2023.

**1. PROCEDURE FOR REMOTE E-VOTING**

The Company has entered into an arrangement with National Securities Depository Limited (NSDL) for facilitating e-voting for AGM. The instructions for remote e-voting are as under:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated 5th May, 2020 and Circular No. 02/2021 dated 13th January, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held 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 Circular No. 14/2020 dated 8th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

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 AGM through VC/OAVM will be made available for 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 reckoning the quorum under Section 103 of the Companies Act, 2013.
5. 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 the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020 and 5th May, 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13th April, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com) 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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. 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 8th April, 2020 and MCA Circular No. 17/2020 dated 13th April, 2020, MCA Circular No. 20/2020 dated 5th May, 2020 and MCA Circular No. 2/2021 dated 13th January, 2021.

## NOTICE (Contd.)

### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on on Sunday, 24th September, 2023 at 09:00 A.M. and ends on Wednesday, 27th September, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, 21st September, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, 21st September, 2023.

#### How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

#### Step 1: Access to NSDL e-Voting system

##### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December, 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.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"><li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under <b>'IDeAS'</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>"Access to e-Voting"</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to <b>e-Voting website of NSDL</b> for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select <b>"Register Online for IDeAS Portal"</b> or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>Shareholders/Members can also download NSDL Mobile App <b>"NSDL Speede"</b> facility by scanning the QR code mentioned below for seamless voting experience.</li></ol> <p><b>NSDL Mobile App is available on</b></p> <p> <b>App Store</b>       <b>Google Play</b></p> <div style="display: flex; justify-content: space-around;"></div>



NOTICE (Contd.)

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>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 users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>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. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL 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. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- 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, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.



## NOTICE (Contd.)

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
- Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
  - Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
  - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.
- Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**
- How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**
- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
  - Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
  - Now you are ready for e-Voting as the Voting page opens.
  - Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

**NOTICE (Contd.)**

5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to scrutinizermkb@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.co.in

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide 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 investors@shyamcenturyferrous.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@shyamcenturyferrous.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login

method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9th December, 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system.** After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

## NOTICE (Contd.)

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/ folio number, email id, mobile number at investors@shyamcenturyferrous.com. The same will be replied by the Company suitably.
6. Members, who would like to express their views as a speaker at the Meeting are requested to register themselves by sending their request from their registered email address mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's email address investors@shyamcenturyferrous.com by 23rd September, 2023 by 05:00 p.m. (IST). Only those Members who have registered themselves as a speaker shall be allowed to express their views during the 12th AGM. The Company reserves the right to restrict the number of questions and number of speakers depending on the availability of time for smooth conduct of the AGM.
7. When a registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
8. In case of joint holders attending the Meeting, the Members whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote electronically at the AGM.

Registered Office:  
Vill: Lumshnong, P.O.: Khaliehriat  
Dist.: East Jaintia Hills  
Meghalaya - 793210

Date: 8th August, 2023  
Place: Kolkata

By Order of the Board  
For **Shyam Century Ferrous Limited**

**Ritu Agarwal**  
Company Secretary

## EXPLANATORY STATEMENT

(Pursuant to section 102(1) of the Companies Act, 2013)

### Item No. 4

The shareholders of the Company in their meeting held on 30th September, 2021 has appointed M/s. D K Chajjer & Co, Chartered Accountants (Firm Registration no. 304138E), as the Statutory Auditors of the Company for a period of five years till the conclusion of the 15th AGM at an annual remuneration of ₹ 2,00,000 (Rupees Two Lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses payable to the Statutory Auditors.

In accordance with the provisions of Section 142 of the Act read with the Companies (Audit and Auditors) Rules, 2014 and the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to the Statutory Auditors of the Company be fixed in the General Meeting and the proposed fees payable to the Statutory Auditors shall be included in the explanatory statement to the Notice.

The Audit Committee in its meeting held on 8th August, 2023, considering the amount of time spent and nature of expertise offered by the Statutory Auditors of the Company has recommended to increase the remuneration of Statutory Auditors from ₹ 2,00,000 (Rupees two Lakhs only) to ₹ 3,60,000 (Rupees Three Lakh Sixty Thousands only) plus applicable taxes, reimbursement of out-of-pocket expenses and other certification expenses payable to the Statutory Auditors of the Company. The Board of Directors have also at its meeting held on 8th August, 2023 approved the increase in remuneration of statutory auditors as stated above

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in Resolutions set out at Item no. 4.

The Board recommends this Resolution for your approval.

### Item No. 5

The Board of Directors, on the recommendation of Audit Committee, has approved at their meeting held on 19th May, 2023, the appointment of M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration number 000064) as the Cost Auditor of the Company to conduct the Cost Audit of the Company for the Financial Year 2023-24 at a remuneration of ₹ 60,000 (Rupees Sixty Thousand only) plus applicable taxes and re-imburement of out of pocket expenses incurred in connection with cost audit, if any.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014

and the Companies (Cost Records and Audit) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Shareholders.

### Item No. 6

Pursuant to Section 188 of the Companies Act, 2013 ('the Act'), read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules'), the Company is required to obtain consent of the Board of Directors and prior approval of the Members by way of ordinary resolution, in case certain transactions with related parties exceeds such sum as is specified in the Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm's length basis.

Pursuant to Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), prior approval of the Members through ordinary resolution is required for all related party transactions which are material, even if they are entered into, in the ordinary course of business and on arm's length basis. For this purpose, a transaction with a Related Party shall be considered 'material', if such transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed ₹ 1,000 Crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

All the Related Party Transactions entered into by the Company are at arm's length basis and in the ordinary course of business and approval of the Audit Committee / Board is obtained, wherever required. In accordance with the change in materiality threshold and the Company's revised 'Policy on Related Party Transactions', the transactions proposed to be entered into by the Company with Meghalaya Power Limited for the FY 23-24 and FY 24-25 may qualify to be a Material Related Party transaction under Listing Regulations, hence approval of the Members by way of ordinary resolution is being sought.

## NOTICE (Contd.)

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021, are as below:

<b>Name of the Related Party</b>	Meghalaya Power Limited
<b>Nature of relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)</b>	Common Director
<b>Type, material terms and particulars of the contract or arrangement/Proposed RPTs</b>	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
<b>Tenure of the Proposed Transaction</b>	Recurring Transactions commencing from FY 23-24 & FY 24-25.
<b>Estimated Value of the Proposed Transaction</b>	₹ 25 Crore for each Financial Year
<b>Percentage of the Company's annual consolidated turnover (including other income) for the immediately preceding financial year that is represented by the value of the proposed transaction</b>	13.28%
<b>Details of the source of funds in connection with the proposed transaction</b>	NOT APPLICABLE
<b>Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments</b>	
<ul style="list-style-type: none"> <li>• nature of indebtedness;</li> <li>• cost of funds; and</li> <li>• tenure;</li> </ul>	
<b>Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured</b>	
<b>Purpose for which funds will be utilised</b>	
<b>Justification as to why the RPT is in the interest of the Company</b>	The transactions are aimed at achieving synergies and economies of scale; reduce operational costs; strengthen sustainability; and conserve natural resources.
<b>Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.</b>	NA
<b>Name of the Director or KMP who is related, if any</b>	Mr. Nirmalya Bhattacharyya
<b>Any other information</b>	NIL

Except Mr. Nirmalya Bhattacharyya and his respective relatives, none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 6 of the Notice, whether the entity is a Related Party to the particular transaction or not.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the shareholders.

### Item No. 7

Pursuant to Section 188 of the Companies Act, 2013 ('the Act'), read with the Companies (Meetings of Board and its

Powers) Rules, 2014 ('Rules'), the Company is required to obtain consent of the Board of Directors and prior approval of the Members by way of ordinary resolution, in case certain transactions with related parties exceeds such sum as is specified in the Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm's length basis.

Pursuant to Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), prior approval of the Members through ordinary resolution is required for all related party transactions which are material, even if they are entered into, in the ordinary course of business and on arm's length basis. For this purpose, a transaction with a Related

NOTICE (Contd.)

Party shall be considered 'material', if such transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed ₹ 1,000 Crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

All the Related Party Transactions entered into by the Company are at arm's length basis and in the ordinary course

of business and approval of the Audit Committee / Board is obtained, wherever required. In accordance with the change in materiality threshold and the Company's revised 'Policy on Related Party Transactions', the transactions proposed to be entered into by the Company with Star Cement Limited for the FY 23-24 & FY 24-25, may qualify to be a Material Related Party transaction under Listing Regulations, hence approval of the Members by way of ordinary resolution is being sought.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021, are as below:

<b>Name of the Related Party</b>	Star Cement Limited
<b>Nature of relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)</b>	Common Directors
<b>Type, material terms and particulars of the contract or arrangement/Proposed RPTs</b>	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
<b>Tenure of the Proposed Transaction</b>	Recurring Transactions commencing from FY 23-24 & FY 24-25.
<b>Estimated Value of the Proposed Transaction</b>	₹ 25 Crore for each Financial Year
<b>Percentage of the Company's annual consolidated turnover (including other income) for the immediately preceding financial year that is represented by the value of the proposed transaction</b>	13.28%
<b>Details of the source of funds in connection with the proposed transaction</b>	NOT APPLICABLE
<b>Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments</b>	
<ul style="list-style-type: none"> <li>• nature of indebtedness;</li> <li>• cost of funds; and</li> <li>• tenure;</li> </ul>	
<b>Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured</b>	
<b>Purpose for which funds will be utilised</b>	
<b>Justification as to why the RPT is in the interest of the Company</b>	The transactions are aimed at achieving synergies and economies of scale; reduce operational costs; strengthen sustainability; and conserve natural resources.
<b>Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.</b>	NA
<b>Name of the Director or KMP who is related, if any</b>	Mrs. Plistina Dkhar and Mr. Nirmalya Bhattacharyya may deemed to be related by virtue of being common Directors.
<b>Any other information</b>	NIL



## NOTICE (Contd.)

Except Mrs. Plistina Dkhar and Mr. Nirmalya Bhattacharyya and their respective relatives none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 7 of the Notice, whether the entity is a Related Party to the particular transaction or not.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval of the shareholders.

### Item No. 8

Pursuant to Section 188 of the Companies Act, 2013 ('the Act'), read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules'), the Company is required to obtain consent of the Board of Directors and prior approval of the Members by way of ordinary resolution, in case certain transactions with related parties exceeds such sum as is specified in the Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm's length basis.

Pursuant to Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), prior approval of the Members through ordinary resolution is required for all related party transactions which are material, even if they are entered into, in the ordinary course of business and on arm's length basis. For this purpose, a transaction with a Related Party shall be considered 'material', if such transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed ₹ 1,000 Crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

All the Related Party Transactions entered into by the Company are at arm's length basis and in the ordinary course of business and approval of the Audit Committee / Board is obtained, wherever required. In accordance with the change in materiality threshold and the Company's revised 'Policy on Related Party Transactions', the transactions proposed to be entered into by the Company with Star Cement (I) Limited, may qualify to be a Material Related Party transaction under Listing Regulations, hence approval of the Members by way of ordinary resolution is being sought.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021, are as below:

<b>Name of the Related Party</b>	Star Cement (I) Limited
<b>Nature of relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)</b>	Common Promoter and Promoter group
<b>Type, material terms and particulars of the contract or arrangement/Proposed RPTs</b>	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
<b>Tenure of the Proposed Transaction</b>	Recurring Transactions commencing from FY 23-24 & FY 24-25.
<b>Estimated Value of the Proposed Transaction</b>	₹ 10 Crore for each Financial Year
<b>Percentage of the Company's annual consolidated turnover (including other income) for the immediately preceding financial year that is represented by the value of the proposed transaction</b>	5.31%
<b>Details of the source of funds in connection with the proposed transaction</b>	NOT APPLICABLE
<b>Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments</b>	
<ul style="list-style-type: none"> <li>• nature of indebtedness;</li> <li>• cost of funds; and</li> <li>• tenure;</li> </ul>	
<b>Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured</b>	
<b>Purpose for which funds will be utilised</b>	



NOTICE (Contd.)

<b>Justification as to why the RPT is in the interest of the Company</b>	The transactions are aimed at achieving synergies and economies of scale; reduce operational costs; strengthen sustainability; and conserve natural resources.
<b>Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.</b>	NA
<b>Name of the Director or KMP who is related, if any</b>	NA
<b>Any other information</b>	NIL

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 8 of the Notice, whether the entity is a Related Party to the particular transaction or not.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval of the shareholders.

**Item No. 9**

Pursuant to Section 188 of the Companies Act, 2013 ('the Act'), read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules'), the Company is required to obtain consent of the Board of Directors and prior approval of the Members by way of ordinary resolution, in case certain transactions with related parties exceeds such sum as is specified in the Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm's length basis.

Pursuant to Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015 ('Listing Regulations'), prior approval of the Members through ordinary resolution is required for all related party transactions which are material, even if they are entered into, in the ordinary course of business and on arm's length basis. For this purpose, a transaction with a Related Party shall be considered 'material', if such transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed ₹ 1,000 Crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

All the Related Party Transactions entered into by the Company are at arm's length basis and in the ordinary course of business and approval of the Audit Committee / Board is obtained, wherever required. In accordance with the change in materiality threshold and the Company's revised 'Policy on Related Party Transactions', the transactions proposed to be entered into by the Company with Star Cement North East Limited, may qualify to be a Material Related Party transaction under Listing Regulations, hence approval of the Members by way of ordinary resolution is being sought.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021, are as below:

<b>Name of the Related Party</b>	Star Cement North East Limited
<b>Nature of relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)</b>	Common Promoter and Promoter group
<b>Type, material terms and particulars of the contract or arrangement/Proposed RPTs</b>	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
<b>Tenure of the Proposed Transaction</b>	Recurring Transactions commencing from FY 23-24 & FY 24-25.
<b>Estimated Value of the Proposed Transaction</b>	₹ 10 Crore for each Financial Year
<b>Percentage of the Company's annual consolidated turnover (including other income) for the immediately preceding financial year that is represented by the value of the proposed transaction</b>	5.31%

## NOTICE (Contd.)

<b>Details of the source of funds in connection with the proposed transaction</b>	NOT APPLICABLE
<b>Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments</b> • nature of indebtedness; • cost of funds; and • tenure;	
<b>Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured</b>	
<b>Purpose for which funds will be utilised</b>	
<b>Justification as to why the RPT is in the interest of the Company</b>	The transactions are aimed at achieving synergies and economies of scale; reduce operational costs; strengthen sustainability; and conserve natural resources.
<b>Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.</b>	NA
<b>Name of the Director or KMP who is related, if any</b>	NA
<b>Any other information</b>	NIL

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to

approve the Ordinary Resolution set forth at Item No. 9 of the Notice, whether the entity is a Related Party to the particular transaction or not.

The Board recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval of the shareholders.

Registered Office:  
Vill: Lumshnong, P.O.: Khaliehriat  
Dist.: East Jaintia Hills  
Meghalaya - 793210

Date: 8th August, 2023  
Place: Kolkata

By Order of the Board  
For **Shyam Century Ferrous Limited**

**Ritu Agarwal**  
Company Secretary

## ANNEXURE TO ITEM NO. 3 OF THE NOTICE

Details of Director seeking appointment/ re-appointment/ any change in terms at the forthcoming Annual General Meeting  
[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Secretarial Standard on General Meeting]

<b>Name of the Director</b>	<b>Mr. Aditya Vimalkumar Agrawal</b>
<b>DIN</b>	03330313
<b>Age (Years)</b>	34
<b>Nationality</b>	Indian
<b>Qualification</b>	Master's in Business Administration
<b>Experience (years)</b>	11
<b>Expertise in special functional Area</b>	Administration, Production, Technical, Logistics, Sales, General Management etc.,
<b>Date of First Appointment on the Board of the Company</b>	1st April, 2015
<b>Terms &amp; condition of re-appointment</b>	Director, Liable to retire by rotation
<b>Details of remuneration sought to be paid and remuneration last drawn (₹)</b>	₹ 50,00,000 per annum
<b>Shareholding in the Company [Equity share of face value ₹ 1 each] (as at 31st March, 2023)</b>	38,25,790
<b>Relationship between the Directors inter se and other Key Managerial Personnel</b>	None
<b>No. of Board Meetings attended during the year</b>	5
<b>List of Directorship held in other Companies (excluding Foreign Company)</b>	<ol style="list-style-type: none"> <li>1. Kecons Tradecare Private Limited</li> <li>2. Shyam Business Solutions Private Limited</li> <li>3. Shyam Ferro Alloys Limited</li> <li>4. Sundaram Alloys Limited</li> <li>5. Ktsl Steel Private Limited</li> <li>6. Sygma Tubes &amp; Pipes Private Limited</li> <li>7. Sfal Speciality Alloys Limited</li> </ol>
<b>Membership/ Chairmanships of Committees of Boards of other Companies. (only Audit Committee and Stakeholders' Relationship Committee have been considered )</b>	<b>Nil</b>

# E-COMMUNICATION REGISTRATION FORM

(Only for members holding shares in physical form)

To,

**MAHESHWARI DATAMATICS PRIVATE LIMITED**

UNIT: Shyam Century Ferrous Limited

23, R N Mukherjee Road, 5th Floor,

Kolkata - 700 001.

Phone No. 033- 22435029/2248-2248

Email: mdpldc@yahoo.com

Dear Sir / Madam,

I hereby register / update my email address provided below for receiving all communication from the Company through electronic mode:

Folio No. / DP ID & Client ID	
Name of the First Registered Holder	
Name of the Joint Holder(s), (if any)	
Registered Address	
Email ID (to be Registered)	
Signature of the First Registered Holder	
Date:	

Notes:

1. On registration/ updation, all the communications will be sent to the registered e-mail ID.
2. The form is also available on the website of the Company [www.starcement.co.in](http://www.starcement.co.in) under the "Investors" section.
3. Members holding shares in electronic mode are requested to ensure to keep their e-mail ID updated with the Depository Participants with whom they are holding their Demat Account.
4. Members are requested to keep their depository participants / Company's Registrar- Maheshwari Datamatics Private Limited informed as and when there is any change in the e-mail ID. Unless, the email ID given hereunder is changed by you by sending another communication in writing, the Company will continue to send all the communication to you on the above mentioned email ID.
5. Members are requested to attach a self-attested scanned copy of PAN card, self-attested scanned copy of any document (such as /Aadhar card/latest Electricity Bill/latest Telephone/Mobile Bill/Driving License/Passport/Voter ID Card/Bank Passbook particulars) along with this form.





**SHYAM CENTURY FERROUS LIMITED**

CIN : L27310ML2011PLC008578

**Registered Office :**

Vill: Lumshnong, P.O. Khaliehriat

Dist: East Jaintia Hills, Meghalaya - 793210

Phone : +91-33-24015555

[www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com)

**Works :**

EPIP, Rajabagan, Dist : Ri-Bhoi

Byrnihat, Meghalaya - 793101