

24th Annual Report

SRU

STEELS LIMITED

Setting Standards in Steel Profiles

2018-2019

CORPORATE INFORMATION**BOARD OF DIRECTORS**

Mr. Naresh Kumar Garg	Chairman
Mr. Ramesh Agarwal	Managing Director
Mr. Ashok Kumar Mahawar	Independent Director
Mr. Rajeev Mittal	Independent Director
Mr. Prem Prakash Agarwal	Independent Director
Mr. Pankaj Jain	Independent Director
Ms. Richa Agarwal	Non-Executive Director

KEY MANAGERIAL PERSONNEL

Mr. Hitesh Laxmikant Somani	Chief Financial officer
Ms. Diksha Gandhi	Company Secretary and Compliance officer

Registered & Corporate Office

A-48, 1st Floor, Wazirpur Industrial Area,
Delhi -110 052
Tel: 011- 27373622
Email: srusteels@yahoo.in
Website: www.srusteels.in

Internal Auditors

M/s Goel Vikas & Co.
Chartered Accountants
G-261, First Floor, Rishi Nagar,
Rani Bagh, Delhi-110034

Statutory Auditors

M/s Agrawal Mahesh Kumar & Co.
(Chartered Accountants)
387, 2nd Floor, Anuvart Tower, Wazirpur Commercial Complex
New Delhi-110052 Tel: 9312247400
Email ID: fcamka@gmail.com

Bankers

CITI Financial Bank
Kotak Mahindra Bank
State Bank of India
Union Bank of India

Secretarial Auditors

M/s Anand Nimesh & Associates
(Company Secretaries)
183B, Second Floor, Gurudwara Road, West Guru
Angad Nagar, Laxmi Nagar, Delhi-110092
Tel: 011-42730004
Email ID: vdnext1711@gmail.com
Website : www.anandnimesh.com

Corporate Identification No.

CIN: L17300DL1995PLC107286

Registrar & Share Transfer Agents

Beetal Financial & Computer Services (P) Ltd
Beetal House, 3rd Floor, 99, Madangir, Behind Local
Shopping Centre, Near Dada Harsukhdas Mandir,
New Delhi - 110 062
Tel: 011-29961281, 29961282
Fax: 011-29961284
E-mail: beetal@rediffmail.com
Website: www.beetalfinancial.com

CONTENTS

1	NOTICE	53	BALANCE SHEET
10	DIRECTORS' REPORT	54	PROFIT AND LOSS
31	CORPORATE GOVERNANCE REPORT	55	CASH FLOW STATEMENT
45	CFO CERTIFICATE	56	NOTES OF ACCOUNTS
46	MANAGEMENT DISCUSSION AND ANALYSIS REPORT	70	PROXY FORM ATTENDANCE SLIP BALLOT FORM AND NOMINATION FORM
49	AUDITORS' REPORT		



SRU STEELS LIMITED

CIN: L17300DL1995PLC107286

Registered & Corporate Office: A-48, 1st Floor, Wazirpur Industrial Area, Delhi-110052

E-mail: srusteels@yahoo.in, Website: www.srusteels.in

Tel: 011-27373622

NOTICE

Notice is hereby given that the Twenty Fourth (24th) Annual General Meeting (AGM) of the members of **SRU STEELS LIMITED** will be held on Monday, 30th Day of September, 2019 at 11:00 A.M. at Ground Floor, Khasra No 21/5, Nangli Poona, North West Delhi, Delhi-110036 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 March 31, 2019 and the reports of the Board of Directors and Auditors thereon; and in this regard, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby received, considered and adopted."

2. To appoint Ms. Richa Agarwal (DIN:00082722), who retires by rotation and being eligible, offers herself for re-appointment as a Director in terms of Section 152(6) of the Companies Act, 2013 and in this regard, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Ms. Richa Agarwal (DIN: 00082722), who retires by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby re-appointed as a Non- Executive Director of the Company, liable to retire by rotation."

3. To consider and approve the appointment of Statutory Auditors of the Company and to fix their remuneration and to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 140, 141, 142 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any re-enactment or modification thereto), and such other applicable provisions, if any, M/s. Agarwal Mahesh Kumar & Co., Chartered Accountants, Delhi, with registration number (014618N) be and are hereby appointed as the Statutory Auditors of the Company to fill the casual vacancy caused due to resignation of M/s. MRKS & Associates. Chartered Accountants, Delhi vide their resignation letter dated August 12, 2019 at a remuneration as may be mutually agreed to, between the Board of Directors and M/s. Agarwal Mahesh Kumar & Co., plus applicable taxes, out-of-pocket expenses, travelling and other expenses, in connection with the work of audit to be carried out by them, to hold office of Statutory Auditor till the conclusion of the Twenty Ninth Annual General Meeting.

SPECIAL BUSINESS

4. **APPROVAL OF RE-APPOINTMENT OF MR. ASHOK KUMAR MAHAWAR (DIN: 02600539), AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and all other applicable provisions and laws, consent of the members be and is hereby accorded for re-appointment of Mr. Ashok Kumar Mahawar (DIN: 02600539), as an Independent Director of the Company, who has consented to act as Independent Director and given declaration of Independence under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Nomination and Remuneration Committee has recommended his re-appointment and the company has also received a notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, for a further period of 5 (five) years with effect from September 28, 2019 and his office shall not be liable to be determined by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds things and execute all such documents, instruments writings as, in its absolute discretion, it may be considered necessary, expedient or desirable, to give effect to the aforesaid resolution."

5. **APPROVAL OF RE-APPOINTMENT OF MR. PREM PRAKASH AGARWAL (DIN: 00081871), AS AN INDEPENDENT DIRECTOR OF THE COMPANY.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and all other

applicable provisions and laws, consent of the members be and is hereby accorded for re-appointment of Mr. Prem Prakash Agarwal (DIN: 00081871), as an Independent Director of the Company, who has consented to act as Independent Director and given declaration of Independence under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Nomination and Remuneration Committee has recommended his re-appointment and the company has also received a notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, for a further period of 5 (five) years with effect from September 28, 2019 and his office shall not be liable to be determined by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds things and execute all such documents, instruments writings as, in its absolute discretion, it may be considered necessary, expedient or desirable, to give effect to the aforesaid resolution.”

6. APPROVAL OF RE-APPOINTMENT OF MR. PANKAJ JAIN (DIN: 01234804), AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and all other applicable provisions and laws, consent of the members be and is hereby accorded for re-appointment of Mr. Pankaj Jain (DIN: 01234804), as an Independent Director of the Company, who has consented to act as Independent Director and given declaration of Independence under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Nomination and Remuneration Committee has recommended his re-appointment and the company has also received a notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, for a further period of 5 (five) years with effect from September 28, 2019 and his office shall not be liable to be determined by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds things and execute all such documents, instruments writings as, in its absolute discretion, it may be considered necessary, expedient or desirable, to give effect to the aforesaid resolution.”

7. APPROVAL OF RE-APPOINTMENT OF MR. RAJEEV MITTAL (DIN: 00082115), AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and all other applicable

provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and all other applicable provisions and laws, consent of the members be and is hereby accorded for re-appointment of Mr. Rajeev Mittal (DIN: 00082115), as an Independent Director of the Company, who has consented to act as Independent Director and given declaration of Independence under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Nomination and Remuneration Committee has recommended his re-appointment and the company has also received a notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, for a further period of 5 (five) years with effect from September 28, 2019 and his office shall not be liable to be determined by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds things and execute all such documents, instruments writings as, in its absolute discretion, it may be considered necessary, expedient or desirable, to give effect to the aforesaid resolution.”

8. APPROVAL OF RE-APPOINTMENT OF MR. RAMESH AGARWAL (DIN: 00151223), AS MANAGING DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass the following **Resolution as a Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force and hereinafter collectively referred to as “Act”) and Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”) (including any statutory modification or re-enactment thereof, for the time being in force) and subject to the limits specified in Schedule V to the said Act and all guidelines issued from time to time and in terms of recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors, the approval of the Company be and is hereby accorded for re-appointment of Shri. Ramesh Roshanlal Agarwal (DIN 00151223), as a Managing Director of the Company for a further period of Five (5) years with effect from September 1, 2020 whose term shall be liable to retire by rotation under the provisions of the Act on a total monthly remuneration of Rs. 75000/-p.m

RESOLVED FURTHER THAT in accordance with provisions of Section 197 read with Schedule V and the applicable provisions of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any Statutory modification(s) or re-enactment thereof, for the time being in force) and other applicable provisions, rules if any, of the Companies Act, 2013 and any other laws, regulations prevailing for the time being in force and other statutory approvals, as may be required, the Company do hereby approves the remuneration of Mr. Ramesh Roshanlal Agarwal as Managing Director of the Company, as recommended by the Nomination & Remuneration Committee and noted hereunder:

- A. Salary: Basic salary of Rs. 37,500/- Per Month
- B. House Rent Allowance: Rs. 18,750/- Per Month
- C. Other Allowances: Rs. 18,750/- Per Month
- D. Minimum Remuneration: In the event of loss or inadequacy of profit during Mr. Ramesh Roshanlal Agarwal tenure as Managing Director, the remuneration as set out above, will be paid or granted to him as minimum remuneration, provided the total remuneration by way of salary and other allowances shall not exceed the applicable ceiling limit of Schedule V of the Act, as may amended time to time, or other such higher amount approved by Central Govt.

- E. Sitting Fee: No sitting fee shall be paid to the Managing Director for attending the Meetings of the Board of Directors of the Company or Committees thereon.

“RESOLVED FURTHER THAT the Board of Directors and/ or its Committee be and is hereby authorized to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 and to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

**By the order of the Board of Directors
For SRU Steels Limited**

**Sd/-
Ramesh Roshanlal Agarwal
Managing Director
DIN: 00151223**

Place: New Delhi

Date: August 14, 2019

Notes:

1. The relevant explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act) in respect of item no.4 to 8 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting.
Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights.
A member holding more than 10% of total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the **Form No. MGT-11** which is annexed herewith.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days' notice in writing is given to the Company.
4. Members/Proxies/authorised representative are requested to bring their duly filled Attendance Slip along with the copy of the Annual Report to the meeting.
5. Corporate Members/Institutional Members (i.e. other than Individual, HUF, NRI etc.) intending to send their authorized representatives to attend the meeting are requested to send a certified true copy of the board resolution/Power of attorney authorizing their representative(s) to attend and vote on their behalf at the meeting.
6. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. The Register of Members and Share Transfer Books of the Company shall remain closed during the book closure period i.e. from Monday, September 24, 2019 to Monday, September 30, 2019 (both days inclusive).

8. Your attention is invited on the Companies (Significant Beneficial Ownership) Amendment Rules, 2019 issued by the Ministry of Corporate Affairs on 8th February 2019. A person is considered as a Significant Beneficial Owner (SBO) if he/she, whether acting alone, together or through one or more individuals or trust holds a beneficial interest of at least 10%. The beneficial interest could be in the form of a company's shares or the right to exercise significant influence or control over the company. If any Shareholders holding shares in the Company on behalf of other or fulfilling the criteria, is required to give a declaration specifying the nature of his/her interest and other essential particulars in the prescribed manner and within the permitted time frame.
9. (a) This Notice is being sent to all the members whose name appears as on Friday, August 16, 2019 in the register of members or beneficial owner as received from M/s Beetal Financial & Computer Services (P) Ltd, the Registrar and Transfer Agent of the Company.
(b) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on Monday, September 23, 2019, being the cut-off date. Members are eligible to cast vote electronically only if they are holding shares as on that date.
Brief resume of the Director proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold Directorships and Memberships/Chairmanships of the Board Committees, shareholding and relationships between Directors *inter-se* as stipulated under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015, is annexed hereto and forms part of this Notice.
10. Members holding shares in multiple folios in identical names or joint accounts in the same order of names are requested to consolidate their shareholdings into one folio.
11. Members seeking clarifications on the Annual Report are requested to send in written queries to the Company at least 10 days before the date of meeting to the Company Secretary of the Company at the registered office of the Company, so would enable the Company to compile the information and provide the replies at the Meeting.
12. In terms of notification issued by the Securities Exchange Board of India (SEBI), equity shares of the Company are under compulsory demat trading by all investors. Members are, therefore, advised to dematerialise their shareholding to avoid inconvenience in trading in shares of the Company.

13. Members are requested to notify immediately any change of address.
- to their Depository Participants (DPs) in respect of their electronic share accounts, and
 - to the Company's Registrar & Share Transfer Agents, Beetal Financial & Computer Services (P) Ltd at its office Beetal House, 3rd Floor, 99 Madangir, BH-Local Shopping Complex Near Dada Harsukhdas Mandir, New Delhi-110062 in respect of their physical share folios, if any, quoting their folio numbers.
14. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents, M/s. Beetal Financial & Computer Services (P) Ltd.
15. As per Listing Regulations, for securities market transactions and/or for off-market or private transactions involving transfer of shares in physical form, the transferee(s) as well as transferor(s) (including joint holders) shall furnish copy of PAN card to the Company for registration of such transfer of securities. Accordingly, all the shareholders/ transferor(s) / transferee(s) of shares (including joint holders) in physical form are requested to furnish a certified copy of their PAN Card to the Company/ RTA while transacting in the securities market including transfer, transmission or any other corporate action.
16. The shares of the Company are under compulsory Demat trading. Also, as per Listing Regulations, securities of listed companies can only be transferred in dematerialized form w.e.f. April 1, 2019. Therefore, Members holding shares in physical form are advised to convert their shares into dematerialized form in their own interest and convenience purpose.
17. In terms of Section 72 of the Companies Act, 2013, a member of the Company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed **Form SH-13** (enclosed with this Notice) to the Company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
18. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents, M/s. Beetal Financial & Computer Services Pvt. Ltd
19. Pursuant to Section 101 and 136 of the Companies Act, 2013 read with relevant rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail addresses either with the Company or with the Depository. Members who have not registered their e-mail addresses with the Company can now register the same by submitting a request letter in this respect to the Company/ Registrar & Share Transfer Agents, M/s. Beetal Financial & Computer Services (P) Ltd. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only.
20. Electronic copy of Annual Report for the financial year 2018-19 along with Notice of the 24th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting alongwith Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company or the Depository Participant(s) for communication purpose unless the member has requested for a hard copy of the same. For members who have not registered their address, physical copies of Annual Report alongwith the Notice of 24th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting alongwith Attendance Slip and Proxy Form is being sent in the permitted mode.
21. Beetal Financial & Computer Services Pvt. Ltd. is the Register and Share Transfer Agents (RTA's) of the Company. All investor relation communication may be sent to RTA's at the following address:
Beetal Financial & Computer Services Pvt. Ltd
Beetal House, 3rd Floor,
99, Madangir, Behind Local Shopping Centre,
Near Dada Harsukh Dass Mandir, New Delhi-110062
Ph. 011-29961281-283, Fax.011-29961284
Email id: beetalrta@gmail.com
22. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of 24th Annual General Meeting and holding shares as of the cut-off date i.e. Monday, September 23, 2019 may follow the same procedure as mentioned in the instructions below. However if you are already registered with CDSL for remote e-voting then you can use your existing password for casting your vote. If you have forgotten your login password then go to website www.evotingindia.com then click on shareholders, enter the User ID and the image verification code and click Forgot Password and enter the details as prompted by the system.
23. Shareholders/Proxies are requested to produce at the Registration Counter(s) the attendance slip sent along with the Annual Report 2018-19, duly completed and signed, for admission to the meeting hall. The route map showing directions to reach the venue of Twenty Fourth (24th) Annual General Meeting is given at the end of this Notice as per the requirement of the Secretarial Standards - 2 on "General Meeting.
- 24. Voting through electronic means**
- In compliance to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management & Administration) Rules, 2014 as substituted by the Companies (Management & Administration) Rules, 2015, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to members to exercise their right to vote at the Annual General Meeting by electronic means. The Company has engaged the services of Central Depository Services Limited (CDSL) in respect of all the business to be transacted at the aforesaid Annual General Meeting. However, it may be noted that E-voting is optional.
The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter:
The instructions for shareholders voting electronically are as under:
 - The remote e-voting facility will be available during the following period:

- Commencement of remote e-voting-from 9:00 am on Friday, the 27, September, 2019.
- End of remote e-voting- upto 5:00 pm on Sunday, September 29, 2019

During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Monday, 23rd September, 2019, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member shall not be allowed to change it subsequently.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

PAN	<p>For Members holding shares in Demat Form and Physical Form</p> <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> ■ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ■ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> ■ Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. ■ If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (xi) Click on the EVSN for the relevant **SRU STEELS LIMITED** on which you choose to vote.
 - (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system
 - (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and window phones users can download the app from apple store and window phone store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
 - (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- II. Members may note that the Notice of the 24th Annual General Meeting and Annual Report for the financial year ended 2018-19 will also be available on the

Company's website www.srusteels.in for their download.

- III. The remote e-voting period commences on Friday, September 27, 2019 (9:00 am) and ends on Sunday, September 29, 2019 (5:00 pm). During this period members of the Company, holding shares either in physical form or dematerialized form, as on the cut-off date of Monday, 23rd September, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- IV. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
- V. Since the Company is required to provide members the facility to exercise their right to vote by electronic means, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date Monday, 23rd September, 2019, and not casting their vote electronically may only cast their vote at the Annual General Meeting through ballot paper.
- VI. The Board of Directors of the Company has appointed M/s Avinash Pandey & Associates, Practicing Company Secretaries as Scrutinizer to scrutinize the poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- VII. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
- VIII. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two persons not in the employment of the Company and make not later than 48 hours from the conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- IX. The results shall be declared on or after the Annual General Meeting. The results declared along with the Scrutinizer's Report shall also be placed on the Company's website www.srusteels.in and on the website of CDSL within 48 hours from the passing of the resolutions at the Annual General Meeting and the same shall also be simultaneously communicated to the Stock Exchange(s), where the equity shares of the Company are listed.
- X. In case you have any queries or issues regarding e-voting, you may refer to 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the download section of CDSL's e-voting website www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- XI. If you are already registered with CDSL for e-voting then you can use your existing User ID and Password for casting vote.
- XII. Login to 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 'Forgot Password' option available on the site to reset the same.
- XIII. Your Login ID and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are shareholder.
21. In terms of Section-149 of the Companies Act, 2013, the provisions of retirement by rotation are not applicable to independent directors. Therefore Ms. Richa Agarwal, Director, retire by rotation and being eligible offers herself for re-appointment at the ensuing Annual General Meeting.
22. M/s. Agarwal Mahesh Kumar & Co, Chartered Accountants have submitted their certificate expressing their eligibility for appointment as Statutory Auditor of the Company in term of Section 139(1) of the Companies Act, 2013 and Rules made thereunder.
23. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
24. Relevant documents referred to in the accompanying Notice, as well as Annual Reports and Annual Accounts of the Company are open for inspection at the Registered Office of the Company, during the office hours, on all working days between 9.30 A.M. to 1.00 P.M. upto the date of Annual General Meeting.
25. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through electronic mode. Members are requested to support this green initiative by registering/ uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

By the order of the Board of Directors
For SRU Steels Limited

Sd/-

Ramesh Roshanlal Agarwal
(Managing Director)
DIN: 00151223

Place: New Delhi
Date: August 14, 2019

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

Item No.03:

The Board of Directors at the Board Meeting held on August 12, 2019 appointed M/s Agrawal Mahesh Kumar & Co, Chartered Accountants, Delhi, with registration number (014618N) to fill the casual vacancy caused due to resignation of M/s. MRKS & Associates, Chartered Accountants, Delhi. In Pursuant to Section 139 of the Companies Act, 2013 read with rules made thereunder a casual vacancy caused due to resignation of Statutory Auditor needs to be approved by the members in a general meeting within three months. Accordingly, the Board of Directors have recommended the appointment of M/s Agrawal Mahesh Kumar & Co, Chartered Accountants, Delhi, to the members of the company for their approval at the Annual General Meeting by way of passing an ordinary resolution to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the Twenty Ninth Annual General Meeting to be held in the F.Y 2023-2024. M/s Agrawal Mahesh Kumar & Co, Chartered Accountants, Delhi, have conveyed their consent to be appointed as the Statutory Auditors of the Company along with the confirmation that, their appointment, if approved by the shareholders, would be within the limits prescribed under the Act.

Your Directors recommend the resolution for approval of members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in the proposed item no. 03 except to the extent of their shareholding.

Item No.4, 5, 6, 7:

As per the provisions of Sections 149, 152, 160 & Schedule IV of the Companies Act, 2013 read with the relevant Rules thereunder as amended, the Company had appointed Shri. Ashok Kumar Mahawar, Shri. Prem Prakash Agarwal, Shri Pankaj Jain and Shri. Rajeev Mittal as Independent Directors as per the requirements of the Companies Act, 2013 at the Annual General Meeting held on September 29, 2014 to hold office upto September 28, 2019 for a first term of five consecutive years.

As the above named Independent Directors shall be completing their first term of appointment upon completion of five years from the respective dates of their appointment during the current year, they are eligible for re-appointment for another term of five consecutive years subject to approval of the Members by way of passing an Ordinary Resolution.

All the above named persons have consented to their re-appointment and confirmed that they do not suffer from any disqualifications which stand in the way of their re-appointment as Independent Directors.

The performance evaluation of the Independent Directors was conducted by the entire Board of Directors (excluding the Director being evaluated) after taking into consideration inputs received from the Directors covering various aspects of the Board's functioning viz. adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. Accordingly, based on the performance evaluation of the Independent Directors, the Nomination & Remuneration Committee and the Board of Directors of the Company at their Meetings held on August 14, 2019, respectively have recommended the re-appointment of the aforesaid persons as Independent Directors for a second term of five consecutive years commencing from the dates on which their present appointments with the Company expire.

During their tenure of appointment, they shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under sub-section 6 of Section 149 of the Act and as per Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations). In the opinion of the Board, they fulfill the conditions for re-appointment as Independent Directors and they are independent of the Management.

The brief profile of all the Appointee Independent Directors is mentioned under "Profile of Directors" forming part of this Notice and details of the remuneration paid/payable to them are as provided in the Corporate Governance Report forming part of the annual report for the year 2018-2019.

The Company has also received notices from a Member under Section 160 of the Companies Act, 2013 (the Act) proposing their re-appointment as Independent Directors for the second term of 5 consecutive years.

A copy of the draft letter for re-appointment of the Independent Directors setting out the terms and conditions of their re-appointment is available for inspection by the Members at the Registered Office of the Company during the office hours on all working days other than on Saturdays and Sundays till the date of the Annual General Meeting.

The Board recommends the Resolutions as set out in Item Nos. 4, 5, 6 and 7 of the Notice for approval of the Members. None of the Directors or Key Managerial Personnel of the Company and their relatives other than the concerned Independent Directors are in any way deemed to be concerned or interested, financially or otherwise, in the Resolutions as set out in Item Nos. 4, 5, 6 and 7 of the Notice.

Item Nos.08:

Shri. Ramesh Roshanlal Agarwal, Managing Director of the Company was appointed for a period of 5 years from 01.09.2015 and his appointment is due for renewal on 31.08.2020. He has been the main contributor to the growth and development of the Company and has more than 42 years of rich industrial experience and managerial experience. Under his stellar leadership the Company has grown rapidly with trading facilities spread across India. In recognition of his contribution in the Company and as per the recommendation of the Nomination & Remuneration Committee and the approval of the Audit Committee, the Board of Directors, at its meeting held on 14.08.2019, has approved the re-appointment of Sri. Ramesh Roshanlal Agarwal as Managing Director for a further period of 5 years from 1st September, 2020. They have also approved the remuneration as proposed in the resolution which is in line with Section 197 read with Schedule V of the Companies Act, 2013.

Further, Sri. Ramesh Roshanlal Agarwal, during his tenure of office as Managing Director, will attain the age of 70 years on August 24, 2022. In view of his experience and expertise knowledge and in pursuance of Section 196(3) read with Schedule V of the Companies Act, 2013, the Board of Directors recommends the continuance of the employment of Shri. Ramesh Roshanlal Agarwal as the Managing Director beyond the age of 70 years till the expiry of his term of office. The Board therefore recommends the special resolution as set out in Item No.8 of the Notice for your approval.

None of the Directors and/or Key Managerial Personnel of your Company and their relatives, except Sri. Ramesh Roshanlal Agarwal, Managing Director are concerned or interested, financially or otherwise, in the above Resolution. The particulars set out above can also be treated as Memorandum required to be circulated to every member under Section 190 of the Companies Act, 2013.

The Board recommends the resolution for your approval.

**By the order of the Board of Directors
For SRU Steels Limited**

**Place: New Delhi
Date: August 14 , 2019**

**Sd/-
Ramesh Roshanlal Agarwal
(Managing Director)
DIN: 00151223**

Name of the Director	Sh. Ashok Kumar Mahawar	Sh. Prem Prakash Agarwal	Sh. Pankaj Jain	Sh. Rajeev Mittal	Smt. Richa Agarwal	Sh. Ramesh Roshanlal Agarwal
DIN	02600539	00081871	01234804	00082115	00082722	00151223
Date of Birth	31/03/1958	05/05/1958	04/09/1974	26/11/1966	27/06/1985	24/08/1952
Nationality	Indian	Indian	Indian	Indian	Indian	Indian
Date of appointment	01/05/2009	01/01/2007	01/01/2007	30/06/2001	23/06/2014	01/04/2003
Qualifications	Graduate	Higher Secondary	Graduate	Graduate	Graduate	Graduate
Expertise in Specific Functional Area	<i>He Has a 35 years of experience of field of Finance and accounting and a very fast knowledge of the steel industry</i>	<i>He has very rich experience in Accounts and steel trading from last 35 years</i>	<i>He has very vast experience in the field of Steels Industry relating to steel manufacturing and trading</i>	<i>He has a very rich experience in Steels Industry and economics and Industrialization</i>	<i>She has a very good experience in the field of HR and Management over past 10 years</i>	<i>Having more than 40 years of experience in steel industry and economics and industrialization. Excellent relationship mgmt. skill coupled with extensive contract in the industry, regulatory and business circles. Effective leadership and motivation skill for setting higher goals and standards and driving the team to achieve the same. Providing direction and counsel to the executive mgmt. for exceeding business targets. Strongly pursues for adhering and installing Company's values in the workforce and promoting good governance culture across the organization.</i>
Number of shares held in the Company (as at March 31, 2019)	29,000	36,400	Nil	Nil	Nil	Nil
Terms & Conditions of re-appointment	<i>Completion of Term of Service as Independent Director</i>	<i>Completion of Term of Service as Independent Director</i>	<i>Completion of Term of Service as Independent Director</i>	<i>Completion of Term of Service as Independent Director</i>	<i>Non-Executive Director of the Company, liable to retire by rotation.</i>	<i>Completion of Term of Service as Managing Director</i>
Remuneration last drawn during F.Y 2018-19	Nil	Nil	Nil	Nil	Nil	9,00,000 P.A
List of Directorships held in other companies as on March 31, 2019	Nil	1	Nil	Nil	3	1
No. of Board Meeting attended during the financial year 2018-19	3	5	5	5	4	5
Chairman/Member of the Committees of the Board of companies in which he is a Director	Nomination & Remuneration Committee: (SRU Steels Limited)	Nomination & Remuneration Committee: (SRU Steels Limited) Chairman Audit Committee (SRU Steels Limited) Member Stakeholder Relationship Committee	Nomination & Remuneration Committee: (SRU Steels Limited) Member Audit Committee (SRU Steels Limited) Member Stakeholder Relationship Committee	Audit Committee: (SRU Steels Limited) Member	NIL	Stakeholders' Relationship Committee (SRU Steels Limited) Member

DIRECTOR'S REPORT

To

The Members,
SRU Steels Limited

Yours Directors take pleasure in presenting the Twenty Fourth (24th) Annual Report of your Company together with the Audited Accounts for the year ended March 31, 2019.

1. Financial Summary/ Performance of the Company:**(Amount in ₹)**

PARTICULARS	CURRENT YEAR (2018-2019)	PREVIOUS YEAR (2017-2018)
Revenue from Operations	333,239,913	213,634,279
Other Income	2,933,822	3,907,482
Total Revenue	336,173,735	217,541,762
Profit Before Finance Cost And Depreciation	4,477,057	8,902,853
Finance Cost	21,062	25,532
Depreciation	276,343	281,777
Profit Before Exceptional Item & Tax	4,179,652	8,595,544
Exceptional item	NIL	NIL
Profit Before Tax	4,179,652	8,595,544
Less: Current Tax	1,051,969	2,186,826
Earlier period Tax Expense	124,411	
Deferred Tax	37,461	32,383
Profit For The Year	2,965,811	6,376,335
Add : Balance in Profit and Loss Account	NIL	NIL
Sub: Total	2,965,811	6,376,335
Other Comprehensive Income	NIL	NIL
Total Comprehensive income for the year	2,965,811	6,376,335

2. Operations Review and the state of affairs of the Company

Your Company continues to operate only in one segment i.e. in the business of all kinds of varieties of steels, stainless steels, mild steels, carbon iron steel and acting as consignment agent etc and there is no change in the nature of business of the company.

The Company, during the Current financial year, would focus on achieving milestone in the same area. This would strengthen the generation and sustainability of revenue in the years to come.

Your Company achieved total revenue of ₹ 336,173,735/- in 2018-19 as against ₹ 217,541,762/- in 2017-18.

3. Dividend

It is endeavor of your Company to make optimum use of its funds for ongoing setup, Expansion and Working Capital Requirements. Keeping in mind the aforesaid factors your Directors have decided not to recommend any Dividend for the year ended 31st March 2019.

4. Share Capital/ Capital Structure**Authorised Share Capital**

The authorized share capital of the Company as at March 31, 2019 was ₹ 95,000,000/- divided into 9,500,000 equity shares of Rs. 10/- each

Paid-Up Share Capital

The paid up share capital of your Company as on March

31, 2019 was ₹ 79,919,000/- divided into 7,991,900 equity shares of Rs. 10/- each. During the year under review, your Company has neither issued shares with differential voting rights nor granted stock options nor sweat equity.

5. Transfer to Reserves

Your Company has transferred a sum of ₹ 2,965,811/- to the General Reserves. The total Reserves and Surplus as at March 31, 2019 was ₹ 40,487,953/-.

6. Listing of Shares

The Company's equity shares are listed with BSE Limited. The annual listing fee for the financial year 2019-20, for the Stock Exchange, has been paid

7. Subsidiaries, Associate Companies and Joint Ventures

Your Company does not have any subsidiaries, joint ventures or associate companies.

8. Indian Accounting Standards (Ind As):-

The Ministry of Corporate Affairs (MCA), vide its notification in the Official Gazette dated February 16, 2015, notified the Indian Accounting Standards (Ind AS) and Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The Company has adopted Indian Accounting Standards ("Ind AS") from April 01, 2017 (transition date to Ind AS is April 01, 2016) and the financial Statements have been prepared in accordance with recognition and measurement principal of Indian Accounting Standards ("Ind AS") as prescribed under the

Companies (Indian Accounting Standards) Rules, 2015, as specified in section 133 of the Companies Act, 2013.

The Annual Accounts for the year ended March 31, 2019 have also been prepared in accordance with Indian Accounting Standard (Ind AS).

9. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Company being engaged in the business of Trading of Stainless Steel does not have any energy utilization or technology absorption. The Company during the year under review has not any inflow or outflow in foreign exchange.

The Information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is enclosed as **Annexure-I** and forms part to this report.

10. Details of Board Meeting

During the year 5 (Five) Board Meetings and 5 (Five) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report.

The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Board meeting dates are finalized in consultation with all directors and agenda papers backed up by comprehensive notes and detailed background information are circulated well in advance before the date of the meeting thereby enabling the Board to take informed decisions.

11. Extract of Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 ('the Act') read with rule 12(1) of Companies (Management and Administration) Rules, 2014, extract of Annual Return is annexed as **Annexure-II**.

12. Managing the Risks of Fraud, Corruption and Unethical Business Practices

Vigil Mechanism / Whistle Blower Policy

Your Company has established a "Vigil Mechanism" for its employees and Directors, enabling them to report any concerns of unethical behaviour, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal.

To this effect the Board has adopted a "Whistle Blower Policy" (WBP), which is overseen by the Audit Committee. The policy provides safeguards against victimization of the whistle blower. Employees and other shareholders have direct access to the chairman of the Audit Committee for lodging concern if any, for review.

The Board has formulated policy on Whistle Blower and the same may be accessed at the website of the Company i.e. <http://www.srusteels.in/pdfs/Vigil % 20 Mechanism.pdf>.

13. Directors' Responsibility Statement

Pursuant to the provisions under Section 134(5) of the Companies Act, 2013, the Board of Directors hereby confirms and accepts the responsibility for the following in respect of the Audited Annual Accounts for the financial year ended March 31, 2019:

(a) That in the preparation of the annual accounts for the financial year ending 31st March, 2019, the applicable

accounting standards had been followed along with proper explanation relating to material departures;

- (b) that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual accounts/financial statements have been prepared on a going concern basis; and
- (e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

Explanation.—For the purposes of this clause, the term "internal financial controls" means the policies and procedures adopted by the company 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;

- (f) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. Particulars of loans, guarantees or investments made under Section 186 of the Companies Act, 2013

Details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company at large and thus disclosure in the Form AOC-2 is not required.

15. Auditors

i) Statutory Auditor and their Report

In terms of the provisions of Section 139 of the Act, M/s. MRKS & Associates, Chartered Accountant, were appointed as the Company's Statutory Auditors by the shareholders at their 23rd AGM held on September 29, 2018, for a period of five years i.e. till the conclusion of 28th AGM to be held in the calendar year 2023.

However, M/s. MRKS & Associates, Chartered Accountants have tendered their Resignation before the Board of Directors vide their resignation letter dated 12th August, 2019 due to their pre occupation in other assignments.

After conducting a detailed evaluation and based on the recommendation of Audit Committee, the Board of Directors of the Company in its meeting held on August 14, 2019 proposed the appointment of M/s. Agarwal Mahesh Kumar & Co, Chartered Accountants, Delhi (Firm Registration No. 014618N) as statutory auditors of the Company for a term of 5 years from the financial

year 2019-20 onwards to the shareholders in the ensuing Annual General Meeting on such terms and conditions and remuneration as may be mutually decided by the Auditor and the Board of Directors. A resolution to that effect forms part of notice of the 24th AGM sent along with this Annual Report.

A certificate pursuant to Section 141 of the Companies Act, 2013, has been received from M/s. Agarwal Mahesh Kumar & Co, Chartered Accountants, Delhi (Firm Registration No. 014618N) New Delhi, stating that their appointment, if made, are eligible for being appointed as Statutory Auditors of the Company, the appointment shall be within the limits as laid down under Section 141 of the Companies Act, 2013.

Pursuant to Section 139 and 141 of the Companies Act, 2013 and relevant Rules prescribed there under, the Company has received certificate from the Auditors to the effect, inter-alia, that their appointment would be within the limits laid down by the Act, shall be as per the term provided under the Act, that they are not disqualified for such appointment under the provisions of applicable laws and also that there are no pending proceedings against them or any of their partners with respect to professional matters of conduct.

Auditors' Report

There are no qualifications, reservations or adverse remarks made by M/s. MRKS & Associates., Statutory Auditors, in their report for the financial year ended March 31, 2019. Pursuant to the provisions of section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any incident of fraud to the Audit Committee during the year under review.

ii) Cost Auditors

In Pursuant to Section 148(1) of the Companies Act, 2013 and rules and regulation made thereunder read with Companies (Accounts Rules) Amendment Rules, 2018, cost audit is not applicable on the company and therefore maintenance of cost records as specified under section 148(1) of the Act, is not required.

iii) Secretarial Auditors and Secretarial Audit Report

In terms of Section 204(1) of Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Anand Nimesh & Associates, Company Secretaries, Delhi to do the secretarial audit of the Company for the financial year ending 31st March, 2019. The said firm has issued their consent to do the secretarial audit for the company for the said period

M/s Anand Nimesh & Associates, Company Secretaries, have now completed their secretarial audit and have issued their certificate as per prescribed format in MR-3 to the shareholders of the Company, which is annexed to this Report as **Annexure-III**. They have no observations in their report and have confirmed that the Company has proper board processes and a compliance mechanism in place. They have also complied with the relevant statutes, rules and regulations applicable to the Company and with the applicable secretarial standards.

The members are further informed that Board of Directors on recommendation of Audit Committee reappointed M/s Anand Nimesh & Associates, Company Secretaries in

Practice as Secretarial Auditors of the company in pursuant to the provisions of the Section 204 of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) for the financial year 2019-2020.

iv) Internal Auditors

The Members are informed that Ms Diksha Gandhi, Company Secretary of the Company was appointed as Internal Auditor of the Company for the financial year 2018-19 in pursuant to sec 138 of the Companies Act, 2013. Ms, Diksha Gandhi submitted her report. However, she express her unwillingness for reappointment as an Internal Auditors of the Company for the financial year 2019-20

The Board of Directors on recommendation of Audit Committee appointed M/s Goel Vikas & Co., Chartered Accountant as Internal Auditors of the company in place of Ms Diksha Gandhi, Company Secretary, pursuant to the provisions of the Section 138 of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) for the financial year 2019-20.

16. Related Party Transactions and Policy on Related Party Transactions

With reference to Section 134(3)(h) of the Companies Act, 2013, details of Related party transactions, if any covered under the provisions of Section 188 of the Act are given in the notes to the Financial Statements.

All the transactions, if entered were on an arm's length basis and were in the ordinary course of business and are in compliance of the provisions of the SEBI (LODR) Regulations, 2015. There are no materially significant related party transactions (i.e. transactions exceeding ten percent of the annual turnover as per the last audited financial statements entered into individually or taken together with previous transactions during the financial year) according to the policy of the Company on materiality of Related Party Transactions made by the company which may have potential conflict with the interest of the Company at large and thus disclosure in Form AOC-2 is not required.

Omnibus approvals are obtained for related party transactions which are repetitive in nature. In respect of unforeseen transactions, specific approvals would be taken, if required.

All related party transactions are approved/ reviewed by the Audit Committee on quarterly basis, with all the necessary details and are presented to the Board and taken on record.

The Board has formulated policy on Related Party Transactions and it may be accessed at the website of the company [http://www.srusteels.in/pdfs/related % 20 party%20Policy%20 SRU.pdf](http://www.srusteels.in/pdfs/related%20party%20Policy%20SRU.pdf).

Since all the transactions with related parties were in the ordinary course of business and at arm's length, and there were no material related party transactions, the statement Form AOC-2, is not annexed to this report

17. Internal Financial Control

According to Section 134(5)(e) of the Companies Act, 2013 read with rule 18 the term Internal Financial Control (IFC)

means the policies and procedures adopted by the Company 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.

The Company believes that a strong internal control framework is very much essential and is part of good corporate governance practices. Your Company has in place well defined and adequate internal financial control framework commensurate with the size and complexity of its business to ensure proper recording of financial & operational information, compliance of various internal control and other regulatory/statutory compliances. All internal Audit findings and control systems are periodically reviewed by the Audit Committee of the Board of Directors, which provides strategic guidance on internal control.

18. Risk Management Policy

In Compliance with the requirements of the Companies Act, 2013, the Company has put in place Risk Minimization and Assessment Procedure. In order to effectively and efficiently manage risk and address challenges, the Company has formulated Risk Management Policy.

The risk management approach is based on the clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation reserves. The objective of any risk identification and assessment process is to evaluate the combination of likelihood and level of negative impacts from an event. The three main components of risk assessment are business risk, service/operational risk and external risk.

The Company manages the risk in line with current risk management best practices. This facilitates the achievement of our objectives, operational effectiveness and efficiency, protection of people and assets, informed decision-making and compliance with applicable law and regulations.

The Board has formulated policy on Risk Management Policy and it may be accessed at the website of the company <http://www.srusteels.in/pdfs/Risk%20Management%20Policy.pdf>.

19. Nature of business

There has been no change in the nature of business of the Company.

20. Committees of Board

(i) CORPORATE SOCIAL RESPONSIBILITY (CSR)

In pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, every company having net worth of Rs. 500 Crores or more, or turnover of Rs.1000 Crores or a net profit of Rs. 5 Crores or more during any financial year shall constitute a Corporate Social responsibility Committee of the Board consisting of 3 or more directors, out of which at least one shall be an Independent Director.

During the year under review none of the condition as prescribed under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are applicable to

the company; hence the provision is not applicable.

(ii) Audit Committee

Audit Committee of the Company meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The details of the composition of the Audit Committee as required under the provisions of Section 177(8) of the Companies Act, 2013 are given in the Corporate Governance Report which forms part of this annual report.

The terms of reference of Audit Committee are confined to new Companies Act 2013 & Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with Part-C of Schedule II.

During the year under review, the Board has accepted all the recommendations of the Audit Committee. The details of meetings with attendance thereof and terms of reference of Audit Committee have been provided in the Corporate Governance Report which forms part of this report.

(iii) Nomination and Remuneration Committee

The Company pursuant to the provisions of Section 178 of the Companies Act, 2013 and in terms of Regulation 19(4) of the SEBI Listing Regulations has formulated a policy on Nomination and Remuneration for its Directors, Key Managerial Personnel and senior management which inter-alia provides the diversity of the Board and provides the mechanism for performance evolution of the Directors and the said policy have been outlined in the Corporate Governance Report which forms part of this Report.

The details of the Remuneration Policy are given as **Annexure-IV** forming part of this Report.

It is hereby affirmed that the Remuneration paid is as per the Remuneration Policy of the Company.

(iv) Stakeholder Relationship Committee

The Company has also formed Stakeholder's Relationship Committee in compliance to the Companies Act, 2013 & Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details about the composition of the said committee of the Board of Directors alongwith attendance thereof has been provided in the Corporate Governance Report forming part of this report.

21. Declaration from Independent Directors on Annual Basis

The company has received declarations from all the Independent Directors of the company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent:

- Sh. Prem Prakash Agarwal
- Sh. Pankaj Jain

- Sh. Rajeev Mittal and
- Sh. Ashok Kumar Mahawar.

22. Directors & Key Managerial Personnel

i) Retirement by Rotation

In Pursuant to the provisions of Section 152 of the Companies Act, 2013, Ms. Richa Agarwal (DIN:00082722), Director, is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, she has offered herself for re-appointment. Necessary resolutions for her re-appointment is included in the Notice of AGM for seeking approval of Members. The Board of Directors recommend her re-appointment for your approval.

The details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding re-appointment of Ms. Richa Agarwal, her brief resume, the nature of expertise in specific functional areas, names of Companies in which she hold Directorships, committee Memberships/ Chairmanships, her shareholding in the Company etc., are furnished in the explanatory statement to the notice of the ensuing AGM.

ii) Independent Directors Reappointment

Sri. Ashok Kumar Mahawar (DIN: 02600539), Sri. Prem Prakash Agarwal (DIN: 00081871), Sh. Pankaj Jain (DIN: 01234804) and Sh. Rajeev Mittal (DIN: 00082115) were appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 for the first term of 5 years and will hold office upto September 28, 2019. Considering their knowledge, expertise and experience in their respective fields and the substantial contribution made by these Directors during their tenure as an Independent Director, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of these Directors as Independent Directors on the Board of the Company, to hold office for the second term of five consecutive years commencing from September 28, 2019 upto September 27, 2024 and not liable to retire by rotation.

The Company has received declaration from all these Directors that they continue to fulfill the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 as well as Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory re-enactment thereof for the time being in force). In terms of the provisions of Section 160(1) of the Companies Act, 2013, your Company has received Notice from a Members signifying his/her intention to propose the candidature for the reappointment of Sri. Ashok Kumar Mahawar, Sri. Prem Prakash Agarwal, Sh. Pankaj Jain and Sh. Rajeev Mittal to the office of Independent Directors

The terms of appointment of Independent Directors as available in the Company's web site [http://www.srusteels.in/pdfs/Term % 20 and % 20 conditions %20for%20Independent%20Director SRU.pdf](http://www.srusteels.in/pdfs/Term%20and%20conditions%20for%20Independent%20Director%20SRU.pdf).

The Board of Directors recommends the re-appointment of the Independent Directors.

iii) Re-appointment of Managing Director

The Board of Directors had, on the recommendation of the Nomination and Remuneration Committee, has approved the re-appointment of Sh. Ramesh Roshanlal Agarwal as Managing Director of the Company for a further period of 5 years with effect from September 1, 2020.

The terms and conditions of his appointment, including his remuneration, are subject to the approval of the Shareholders in the ensuing Annual General Meeting. The Board of Directors recommends their re-appointment as Managing Director.

iv) Key Managerial Personnel

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:-

- Mr. Ramesh Agarwal, Managing Director
- Mr. Hitesh Lakshmikant Somani, Chief Financial Officer
- Ms. Diksha Gandhi, Company Secretary

During the year, there was no change (appointment or cessation) in the office of KMP.

v) Appointment & Cessation

During the financial year ended March 31, 2019 there was no change (appointment or cessation) in the office of Directors of the Company D

vi) Woman Director

[In terms of Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has appointed Ms. Richa Agarwal (DIN: 00082722) who is serving on the Board of the Company, since the year 2014

23. Evaluation of the Board's Performance

Pursuant to the Section-134(3)(p) of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder Grievance Committees.

A Separate meeting of the independent directors ('Annual Independent Directors meeting) was convened, the Directors' performance was evaluated on parameters such as level of engagement and contribution in safeguarding the interest of the Company etc. The performance evaluation of the Independent Directors was carried out by the entire Board. Further the performance evaluation of the Chairman and Non Independent Directors was carried out by the Independent Directors.

24. Explanation or Comment or qualification, reservation or adverse remarks or disclaimers made by the Auditors in their report.

There were no qualifications, reservation or adverse remarks made by the Auditors in their respective reports.

25. Deposit

During the year under review, the Company has neither

accepted nor renewed any deposits in terms of Chapter V of the Companies Act, 2013 and Rules framed thereunder.

26. Reporting of frauds by Auditors

During the year under review, the Statutory Auditor and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

27. Significant and material orders passed by the regulators

No Significant and Material orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future

28. Corporate Governance

As per the requirement of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 executed with the Stock Exchange(s), Your Company has complied with the Corporate Governance norms as stipulated under the Listing Regulations. A detailed report on Corporate Governance forms part of this Annual Report. A certificate from Practising Company Secretary confirming compliance of the Corporate Governance requirements by the Company is attached to the Report on Corporate Governance

29. Management Discussion & Analysis Report

As per requirements of Listing Regulations, a detailed review of the developments in the industry, performance of the Company, opportunities and risks, internal control systems, outlook etc. of the Company is given under the head Management Discussion and Analysis Report, which forms part of this Annual Report.

30. Sexual Harassment of Woman at work place

The Company has in place, policy on Prevention, Prohibition and Redressal of Sexual Harassment for women at workplace in accordance with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up as per the statutory requirements, to redress complaints regarding sexual harassment. The policy has set guidelines on the redressal and enquiry process that is to be followed by complainants and the ICC, whilst dealing with issues related to sexual harassment at the work place. All women employees (permanent, temporary, contractual and trainees) are covered under this policy. The company has not received any complaints during the year.

There were no complaints received from the employees during the financial year 2018-19 and hence no complaint is outstanding as on March 31, 2019

31. Independent Director's familiarisation Programme

As per requirement under the provisions of Section 178 of the Companies Act, 2013 read with Companies (Meeting of the Board and its powers) Rules, 2014 and SEBI (LODR) Regulations, 2015, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their roles, rights and responsibilities as Independent Directors, the working of the Company, nature of the industry in which the Company operates, business model, management structure, industry overview,

internal control system and processes, risk management framework, functioning of various divisions, HR Management etc. They are given full opportunity to interact with Senior Management Personnel and are provided with all the documents required and/or sought by them to have a good understanding of the Company, its business model and various operations and the industry of which it is a part.

Your company aims to provide its independent Directors, insight into the Company enabling them to contribute effectively.

The details of familiarisation program may be accessed on the Company's website [http://www.srusteels.in/pdfs/FAMILIARISATION_PROGRAMME_FOR_INDEPENDENT_DIRECTORS\(1\).pdf](http://www.srusteels.in/pdfs/FAMILIARISATION_PROGRAMME_FOR_INDEPENDENT_DIRECTORS(1).pdf).

32. Particulars of Employees

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel), Amendment Rules, 2016, a statement showing the names and other particulars of the top ten employees and the employees drawing remuneration in excess of the limits set out in the said rules is enclosed as **Annexure-V** and forms part of this Report.

33. Managerial Remuneration

The information required under Section 197(12) of the Companies Act, 2013 read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in **Annexure-VI**, forming part of this report.

34. Material changes and commitments affecting the financial position of the Company

There has been no material Change and Commitment affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

35. Buy Back of Securities

Your Company has not bought back its securities during the year under review.

36. Sweat Equity, Bonus Shares or Employee Stock Option

Your Company has neither issued any Sweat Equity shares nor Bonus Shares nor any Stock Option Scheme during the year under review.

37. Change in the nature of Business, if any

There has been no material change in the nature of business during the period under review.

38. Secretarial Standards

During FY 2018-19, the Company has complied with applicable Secretarial Standards issued by the Institute of The Company Secretaries of India.

A Certificate of compliances issued by the Secretarial Auditor M/s Anand Nimesh & Associates is enclosed as **Annexure-III** and forms part of this Report.

39. Investor Services

To improve investor services, your Company has taken the following initiatives:-

- An Investor Relation Section on the website of the Company (www.srusteels.in) has been created to help

investors know the policies and rights of investors.

- There is a dedicated e-mail id diksha.gandhi@srusteels.in for sending communications to the Company Secretary. Members may lodge their requests, complaints and suggestions on this e-mail as well.

40. Following policies are also adopted by the board and are linked with the website of company at www.srusteels.in

1. Archival Policy on Preservation of Documents of the Company. URL for the same is: http://www.srusteels.in./pdfs/Archive_Policy.pdf
2. Policy on determination of materiality of the events/information for making disclosure by the Company. URL for the same is: http://www.srusteels.in./pdfs/Policy_on_Disclosures.pdf
3. Policy on Preservation of Records. The same may be accessed at http://www.srusteels.in./pdfs/Policy_on_Preservation_of_Records.pdf
4. Policy on Code of Conduct for the Board of Director and Senior Management Personnel. [http://www.srusteels.in./pdfs/Code % 20 of % 20 Conduct % 20for%20board%20members%20and%20senior% 20personnel.pdf](http://www.srusteels.in./pdfs/Code%20of%20Conduct%20for%20board%20members%20and%20senior%20personnel.pdf)

5. Policy on Related Party Transaction. The same may be accessed at: <http://www.srusteels.in./pdfs/related%20party%20Policy%20SRU.pdf>
6. Policy on performance Evaluation and URL for the same is: <http://www.srusteels.in./pdfs/PERFORMANCE%20EVALUATION%20POLICY.pdf>

Acknowledgements

The Directors place on record their appreciation for the assistance, help and guidance provided to the Company by the Bankers and Authorities of State Government and Central Government from time to time. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuring an excellent all around operational performance.

**By order of the Board of Directors
For SRU Steels Limited**

	Sd/-	Sd/-
	Ramesh Agarwal	Naresh Kumar Garg
Place: New Delhi	Managing Director	Director & Chairman
Date: August 14, 2019	DIN: 00151223	DIN: 00986846

Information as per Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2019

Amount In ₹

A. Conservation of Energy	
(i) the steps taken or impact on conservation of energy	N.A
(ii) the steps taken by the company for utilising alternate sources of energy:	N.A
(iii) the capital investment on energy conservation equipments:	N.A
B. Technology absorption	
(i) the efforts made towards technology absorption:	N.A
(ii) the benefit derived like product improvement, cost reduction, product development or import substitution:	N.A
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year	N.A
a) the details of technology imported;	N.A
b) the year of import;	N.A
c) whether the technology been fully absorbed	N.A
d) if not fully absorbed, area where absorption has not taken place, and the reasons thereof; and	N.A
e) the expenditure incurred on Research and Development	N.A

Note: Since your Company has not involved in manufacturing operations, the requirements pertaining to disclosure of particulars relating to conservation of energy, research & development and technology absorption, as prescribed under the Companies (Accounts) Rules, 2014 are not applicable.

C. Foreign Exchange Earning and outgo

The company does not have any export sale, hence the respective point is not applicable.

Amount In ₹

Particulars	Financial Year ended March 31, 2019	Financial Year ended March 31, 2018
Foreign Exchange Earned	Nil	Nil
Foreign Exchange used	Nil	Nil

For and on behalf of the Board
SRU Steels Limited

Sd/-
Ramesh Agarwal
Managing Director
DIN: 00151223

For and on behalf of the Board
SRU Steels Limited

Sd/-
Naresh Kumar Garg
Director & Chairman
DIN: 00986846

Place: New Delhi
Date: August 14, 2019

MGT-9

EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON 31.03.2019

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014

I REGISTRATION & OTHER DETAILS:

1	CIN	L17300DL1995PLC107286
2	Registration Date	11/09/1995
3	Name of the Company	SRU STEELS LIMITED
4	Category/Sub-category of the Company	COMPANY HAVING SHARE CAPITAL
5	Address of the Registered office & Contact details	A-48, 1ST FLOOR, WAZIRPUR INDUSTRIAL AREA, DELHI-110052
6	Whether listed Company	Yes
7	Name, Address & contact details of the Register & Transfer Agent, if any	BEETAL FINANCIAL & COMPUTER SERVICES PVT. LTD. BEETAL HOUSE, 3RD FLOOR, 99 MADANGIR, BEHIND LOCAL SHOPPING CENTRE, NEAR DADA HARSUKHDAS MANDIR, NEW DELHI-110062

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

S.No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Ferrous and Non- Ferrous Alloys	46109- The Company is primarily engaged in the business of "Trading of Stainless Steels"	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

S.No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associates	% of shares held	Applicable Section
1	N.A.	N.A.	N.A.	N.A.	N.A.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

(A) Category-wise Share Holding

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2018)				No. of Shares held at the end of the year (as on 31.03.2019)				% of Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Promoter and Promoter Group²									
1	Indian									
(a)	Individuals/ Hindu Undivided Family	0	0	0	0	0	0	0	0	0
(b)	Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0
(c)	Bodies Corporate	1547000	0	1547000	19.36	1547000	0	1547000	19.36	0.00%
(d)	Financial Institutions/ Banks	0	0	0	0	0	0	0	0	0
(e)	Any Others (Specify)	0	0	0	0	0	0	0	0	0
	Sub Total(A)(1)	1547000	0	1547000	19.36	1547000	0	1547000	19.36	0.00%
2	Foreign									
a	Individuals (Non-Residents Individuals/Foreign Individuals)	0	0	0	0	0	0	0	0	0
b	Bodies Corporate	0	0	0	0	0	0	0	0	0
c	Institutions	0	0	0	0	0	0	0	0	0
d	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
e	Any Others (Specify)	0	0	0	0	0	0	0	0	0
	Sub Total(A)(2)	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	1547000	0	1547000	19.36	1547000	0	1547000	19.36	0
(B)	Public shareholding									
1	Institutions									
(a)	Mutual Funds/ UTI	0	0	0	0	0	0	0	0	0
(b)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(c)	Central Government/ State Govt(s)	0	0	0	0	0	0	0	0	0
(d)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(e)	Insurance Companies	0	0	0	0	0	0	0	0	0
(f)	Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(h)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
	Sub-Total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2018)				No. of Shares held at the end of the year (as on 31.03.2019)				
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% of Change during the year
B 2	Non-institutions									
(a)	Bodies Corporate	976500	20000	996500	12.47	976500	22000	998500	12.49	-0.03
(b)	Individuals									
i	Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh	13775	848200	861975	10.79	10986	311300	322286	4.03	6.75
ii	Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	2094600	1536700	3631300	45.43	2248389	2050100	4298489	53.78	-8.35
(c)	Others (Specify)	825625	129500	955125	11.95	825625	0	825625	10.33	1.62
	Sub-Total (B)(2)	3910500	2534400	6444900	80.64	4061500	2383400	6444900	80.64	0.00
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	3910500	2534400	6444900	80.64	4061500	2383400	6444900	80.64	0.00
	TOTAL (A)+(B)	5457500	2534400	7991900	100.00	5608500	2383400	7991900	100.00	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued									
1	Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
2	Public	0	0	0	0	0	0	0	0	0
	Sub-Total (C)	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	5457500	2534400	7991900	100.00	5608500	2383400	7991900	100.00	0.00

(B) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	% change in share holding during the year
1	MM Fiscal Services Pvt Ltd.	1547000	19.36	0	1547000	19.36	0	0

(C) Change in Promoters' Shareholding (Please specify, if there is no change)

S. No.		Shareholding at the beginning of the year		Commulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year				
	Date wise increase/decrease in promoters share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	NO CHANGE			
	At the end of the year				

(D) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date of increase/ decrease in share holding	Increase/(Decrease) in share holding (as per weekly benpos)	% change	Reason	Cumulative Shareholding during the year	
		Number of shares	% of total Shares of the Company					No. of shares	% of total Shares of the Company
1	R.L.Agarwal & Sons Securities Pvt.Ltd.	976,500	12.2186	1-Apr-18				976,500	12.2186
					NIL MOVEMENT DURING THE YEAR				
				31-Mar-19				976,500	12.2186
2	Satish Agarwal	872,000	10.9110	1-Apr-18				872,000	10.9110
				30-Nov-18	-500	0.0062	Sell	871,500	10.9048
				31-Mar-19				871,500	10.9048
3	Satish Agarwal HUF	822,500	10.2917	1-Apr-18				822,500	10.2917
					NIL MOVEMENT DURING THE YEAR				
				31-Mar-19				822,500	10.2917
4	Uma Agarwal	518,600	6.4891	1-Apr-18				518,600	6.4891
				30-Nov-18	-600	0.0075	Sell	518,000	6.4816
				31-Mar-19				518,000	6.4816
5	Apoorv Agarwal	392,700	4.9137	1-Apr-18				392,700	4.9137
				30-Nov-18	-700	-0.1164	Sell	392,000	4.9050
				08-Mar-19	10000	-0.1251	Purchase	402,000	5.0301
				31-Mar-19				402,000	5.0301

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date of increase/decrease in share holding	Increase/(Decrease) in share holding (as per weekly benpos)	% change	Reason	Cumulative Shareholding during the year			
		Number of shares	% of total Shares of the Company					No. of shares	% of total Shares of the Company		
6	Arpit Agarwal	311,900	3.9027	1-Apr-18				311,900	3.9027		
				30-Nov-18	-400	0.0050	Sell	311,500	3.8977		
				31-Mar-19				311,500	3.8977		
7	Ganesh Yadav	70,000	0.8759	1-Apr-18				70,000	0.8759		
				30-Nov-18	1500	-0.1376	Purchase	71,500	0.8947		
				25-Jan-19	9500	-0.3841	Purchase	81,000	1.0135		
				29-Mar-19	21200	-0.2653	Purchase	102,200	1.2788		
				31-Mar-19				102,200	1.2788		
8	Rajiv Ranjan Gupta	100,000	1.2513	1-Apr-18				100,000	1.2513		
				NIL MOVEMENT DURING THE YEAR							
				31-Mar-19				100,000	1.2513		
9	Ankul Agarwal	100,000	1.2513	1-Apr-18				100,000	1.2513		
				NIL MOVEMENT DURING THE YEAR							
				31-Mar-19				100,000	1.2513		
10	Bajrang Lal Chauhan	70,100	0.8771	1-Apr-18				70,100	0.8771		
				25-Jan-19	4100	-0.2140	Purchase	74,200	0.9284		
				29-Mar-19	13000	-0.1627	Purchase	87,200	1.0911		
				31-Mar-19				87,200	1.0911		

(E) Shareholding of Directors and Key Managerial Personnel

S. No.	Shareholding of each Directors and each key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		Number of shares	% of total Shares of the Company	Number of shares	% of total Shares of the Company
1	Mr. PREM PRAKASH AGARWAL	35600	0.45%	36400	0.46%
2	Mr. ASHOK KUMAR MAHAWAR	29000	0.36%	29000	0.36%
3	Mr. RAMESH AGARWAL	NIL	0.00%	NIL	0.00%
4	Mr. RAJEEV MITTAL	NIL	0.00%	NIL	0.00%
5	Mr. NARESH KUMAR GARG	NIL	0.00%	NIL	0.00%
6	Mr. PANKAJ JAIN	NIL	0.00%	NIL	0.00%
7	Ms. RICHA AGARWAL	NIL	0.00%	NIL	0.00%
8	Mr. HITESH LAKSHMIKANT SOMANI	NIL	0.00%	NIL	0.00%
9	Ms. DIKSHA GANDHI	NIL	0.00%	NIL	0.00%

(v) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(Amount in ₹)

Particulars	Secured Loans	Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL				
i) Principal Amount					
ii) Interest due but not paid					
iii) Interest accrued but not due					
Total (i+ii+iii)					
Change in Indebtedness during the financial year					
Addition					
Reduction					
Net Change					
Indebtedness at the end of the financial year					
i) Principal Amount					
ii) Interest due but not paid					
iii) Interest accrued but not due					
Total (i+ii+iii)					

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Director and/or Manager**

(Amount in ₹)

S.No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
		Mr. Ramesh Agarwal	
1	Gross Salary	900,000.00	900,000.00
	(a) Salary as per provisions contained in section 17(1) of the income tax Act, 1961	0	0
	(b) Value of perquisites u/s 17(2) income tax Act, 1961	0	0
	(c) Profit in lieu of salary under Section 17(3) Income-Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission as % profit other, specify	0 0 0	0 0 0
5	others, please specify	0	0
	TOTAL (A)	900,000	900,000.00

B. Remuneration to other Directors

(Amount in ₹)

S.No	Particulars of Remuneration	Name of the Directors					Total Amount
		Mr. Rajiv Mittal	Mr. Pankaj Jain	Mr. Prem Prakash Agarwal	Mr. Ashok Kumar Mahawar	Ms. Richa Agarwal	
	Independent Directors						
1	Fee for attending board & Committee meetings	NIL	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL	NIL
	others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL	NIL	NIL
2	Other Non-Executive Directors						
	Fee for attending board & Committee	NIL	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL	NIL
	other, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL	NIL
	Total (B)= (1+2)	NIL	NIL	NIL	NIL	NIL	NIL
	TOTAL MANAGERIAL REMUNERATION	NIL	NIL	NIL	NIL	NIL	NIL

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD (Amount in ₹)

S.No	Particular of Remuneration	CS	CFO	Total
1	Gross Salary			
	(a) Salary as per provision contained in section 17(1) of the income tax Act, 1961	315,000	255,000	570,000
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	0	0	0
	(c) Profit in lieu of salary under section 17(3) income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission as % of profit others specify	0 0 0	0 0 0	0 0 0
5	Others, Specify	0	0	0
	Total	315,000	255,000	570,000

VIII Penalties / Punishment/Compounding of Offences

Type	Section of the Companies Act	Brief Description	Detail of penalty/punishment/Compounding fees imposed	Authority[RD/NCLT/COURT]
A. COMPANY				
Penalty				
Punishment				
Compounding				
B. DIRECTOR				
Penalty				
Punishment				
Compounding				
C. OTHER OFFICER IN DEFAULT				
Penalty				
Punishment				
Compounding				

NIL

FORM MR-3

SECRETARIAL AUDIT REPORT

(For the financial year ended 31st March 2019)

[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 Member
SRU Steels Limited
(CIN- L17300DL1995PLC107286)
A-48, 1st Floor, Wazirpur Industrial Area
New Delhi-110052

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SRU Steels 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 my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and as produced before us, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st Day of March 2019, (the audit period) 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 **SRU Steels Limited** ("**The Company**") and as produced before us for the period ended on 31st Day of March 2019, according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the Rules made there under;
- III. The Depositories and Participant Act, 2018 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") to the extent applicable to the Company:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable during audit period)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (**Not applicable during audit period**)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not applicable during audit period**)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009; (**Not applicable during audit period**)
 - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulation, 1998; (**Not applicable during audit period**)
- V. Other laws applicable to the Company
 1. The Sexual Harassment of Women at workplace (Prevention Prohibition and Redressal) Act, 2013
 2. The Income Tax Act, 1961
 3. Service Tax/GST

"Other laws applicable to the Company as per the representations made by the Company"

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

- (i) **Secretarial Standards issued by The Institute of Company Secretaries of India.**
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with the Delhi Stock Exchange Limited.

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreement/ SEBI (LODR), Regulations 2015 etc. mentioned above.

We further report that:

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

Adequate notice to schedule the Board Meetings, agenda and detailed notes on agenda were sent to all directors at least seven days in advance or within prescribed time as the case may be, 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

Decisions at the Board Meetings, as represented by the management and explanations given to us, and as per entries in minute books, were taken unanimously/requisite majority. As per the minutes of the meetings, duly recorded and signed by the Chairman, the decisions of the Board were unanimous/requisite majority and no dissenting views have been recorded.

We further report that, as representation made by the Management of the company and based on the information received and records maintained by the Company, 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:-

1. According to the report of Statutory Auditor of the company, the company has prepared its financial statements to comply with Ind-AS.

**For Anand Nimesh & Associates
(Company Secretaries)**

**Date: July 18, 2019
Place: Delhi**

**Anand Kumar Singh
(Partner)
M. No- 24881
CP No- 9404**

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

'ANNEXURE A'

To,
The Member
SRU Steels Limited (CIN- L17300DL1995PLC107286)
A-48, 1st Floor, Wazirpur Industrial Area, New Delhi-110052

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit to the extent there are shown to us during the Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records, the verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. Further we follow the norms of The Institute of the Company Secretaries of India in this regard and we rely on the Reports given by Statutory Auditors or other designated professionals in all financial Laws including financial data's.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Anand Nimesh & Associates
(Company Secretaries)**

**Date: July 18, 2019
Place: Delhi**

**Anand Kumar Singh
(Partner)
M. No- 24881
CP No- 9404**

NOMINATION AND REMUNERATION & BOARD DIVERSITY POLICY

LEGAL FRAMEWORK

This Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the rules made there under and Regulation 19 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. This policy has been approved by the Board of Directors on the recommendation of Nomination and Remuneration Committee of the Company.

DEFINITIONS

For the purpose of this Policy:

- **'Act'** shall mean the Companies Act, 2013;
- **'Board'** shall mean the Board of Directors of ***SRU Steels Limited***;
- **'Committee'** shall mean the Nomination and Remuneration committee of the Company, constituted and reconstituted by the Board from time to time;
- **'Company'** shall mean SRU Steels Limited;
- **'Directors'** shall mean the directors of the Company;
- **'Independent Director'** shall mean a director referred to in Section 149 (6) of the Companies Act, 2013;
- **'Key Managerial Personnel (KMP)'** shall mean the following:
 - (i) Executive Chairman and / or Managing Director (MD) and/or Manager
 - (ii) Whole-time Director (WTD);
 - (iii) Chief Financial Officer (CFO);
 - (iv) Company Secretary (CS);
 - (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 - (vi) Such other officer as may be prescribed.
- **'Senior Management'** shall mean personnel of the company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

Unless the context otherwise requires, words and expression used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

OBJECTIVE & PURPOSE

The objective and purpose of this Policy are as follows:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine remuneration of Directors, Key Managerial personnel and Other employees.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in market.
- To provide them reward linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

SCOPE OF THE POLICY

The policy shall be applicable to the following in the Company:

- Directors
- Key Managerial Personnel (KMP)
- Senior Management
- Other employees of the Company

CONSTITUTION

The Board shall determine the membership of the Committee. The Committee will comprise of at least three members of non-executive directors, a majority of whom shall be independent directors. One of the independent non-executive directors shall be designated by the Board to serve as the Committee's Chairman. The present composition of the Committee is:

- | | |
|-----------------------------|----------|
| 1. Mr. Prem Prakash Agarwal | Chairman |
| 2. Mr. Pankaj Jain | Member |
| 3. Mr. Ashok Kumar Mahawar | Member |

GUIDELINES FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT**1. Appointment criteria and qualifications:**

- 1.1 Letter of appointment shall be issued based on the recommendations of the Committee on the basis of the guidelines for the same under the Companies Act, 2013 or the Company Internal policy.
- 1.2 The Committee shall identify and ascertain the integrity, qualification, expertise and experience for appointment to the position of Directors, KMPs & Senior Management.
- 1.3 A potential candidate should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee shall review qualifications, expertise and experience, as well as the ethical and moral qualities possessed by such person, commensurate to the requirement for the position.
- 1.4 The Company shall not appoint or continue the employment of any person as whole time director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- 1.5 The Committee shall ensure that there is an appropriate induction & training programme in place for new directors, members of senior management and KMP;
- 1.6 The Committee shall make recommendations to the Board concerning any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company subject to the provision of the law and their service contract.
- 1.7 The Committee shall recommend any necessary changes to the Board.

2. Term / Tenure:**I. Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Managing Director, Executive Director/Whole time Director for a term not exceeding five years at a time.

No re-appointment shall be made earlier than one year before the expiry of term of the Director appointed.

II. Independent Director

An Independent Director shall hold office for a term up to five years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for re- appointment in the Company as Independent Director after the expiry of three years from the date of cessation as such in the Company.

The Committee shall take into consideration all the applicable provisions of the Companies Act, 2013 and the relevant rules, as existing or as may be amended from time to time.

3. Evaluation

The Committee shall carry out the evaluation of performance of the every Director, KMP and Senior Management Personnel at regular interval; but at least once a year.

4. Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013 and rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing, removal of a director, KMP or senior management personnel or functional heads, subject to the provisions and compliance of the Act, rules and regulations.

5. Retirement

The director, KMP, senior management & functional heads shall retire as per the applicable provisions of the Companies Act, 2013 along with the rules made there under and the prevailing policy of the Company. The Board will have the discretion to retain the Directors, KMPs & Senior Management even after attaining the retirement age, for the benefit of the Company.

6. Diversity on the Board of the Company

The Company aims to enhance the effectiveness of the Board by diversifying it and obtain the benefit out of it by better and improved decision making. In order to ensure that the Company's boardroom has appropriate balance of skills, experience and diversity of perspectives that are imperative for the execution of its business strategy, the Company shall consider a number of factors, including but not limited to skills, industry experience, background, race and gender.

The Policy shall confirm with the following two principles for achieving diversity on its Board:

- Decisions pertaining to recruitment, promotion and remuneration of the directors will be based on their performance and competence; and
- For embracing diversity and being inclusive, best practices to ensure fairness and equality shall be adopted and there shall be zero tolerance for unlawful discrimination and harassment of any sort whatsoever.

In order to ensure a balanced composition of executive, non-executive and independent directors on the Board, the Company shall consider candidates from a wide variety of backgrounds, without discrimination based on the following factors:

- Gender - The Company shall not discriminate on the basis of gender in the matter of appointment of director on the Board. The Company encourages the appointment of women at senior executive levels to achieve a balanced representation on the Board.
- Age -Subject to the applicable provisions of Companies Act, 2013, age shall be no bar for appointment of an individual as director on the Board of the Company.
- Nationality and ethnicity - The Company shall promote having a boardroom comprising of people from different ethnic backgrounds so that the directors may efficiently contribute their thorough knowledge, sources and understanding for the benefit of Company's business;
- Physical disability - The Company shall not discriminate on the basis of any immaterial physical disability of a candidate for appointment on Company's Board, if he/she is able to efficiently discharge the assigned duties.
- Educational qualification- The proposed candidate shall possess desired team building traits that effectively contribute to his/ her position in the Company. The Directors of the Company shall have a mix of finance, legal and management background, that taken together, provided the Company with considerable experience in a range of activities including varied industries, education, government, banking, and investment.

7. Remuneration

- I. The remuneration/ compensation/ commission etc. to the whole-time director, KMP and senior management & other employees will be determined by the Committee and recommended to the Board for approval.
- II. The remuneration to be paid to the MD and/or whole-time director shall be in accordance with the percentage/ slabs/ conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013 and the rules made there under.
- III. Increments to the existing remuneration/compensation structure of the Senior Management excluding the Board of Directors comprising of members of Management one level below the Executive Director, including the Functional Heads will be decided by the Chairman & Managing Director & CFO of the Company.

Remuneration to Whole-time/Executive/Managing Director, KMP and Senior Management Personnel:

I. Fixed pay:

The MD and/or whole-time director / KMP and senior management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee and the shareholders wherever applicable. The breakup of the pay scale and quantum of perquisites including, employer's contribution towards provident fund, pension scheme, medical expenses and other perquisites shall be decided and approved by the Board on the recommendation of the Committee.

II. Minimum Remuneration:

If in any financial year, the Company has no profits or its profits are inadequate, it shall pay remuneration to its MD and/or Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if the Company is not able to comply with such provisions, previous approval of the Central Government shall be required to be obtained.

8. Remuneration to Non- Executive / Independent Director:

- i. **Remuneration** : The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and with the provisions of Companies Act, 2013 along with the rules made there under.
- ii. **Sitting Fees:** The Non- Executive/ Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the limits prescribed under Companies Act 2013.

MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be recorded as minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

DIRECTOR'S AND OFFICER'S INSURANCE

Where any insurance is taken by the Company on behalf of its Directors, KMPs/ Senior Management Personnel etc. for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

REVIEW

The Committee as and when required shall assess the adequacy of this Policy and make any necessary or desirable amendments to ensure it remains consistent with the Board's objectives, current law and best practice.

DISCLOSURE OF THIS POLICY

The policy shall be disclosed in the Annual report of the Company, as required under Section-178 of the Companies Act, 2013, read with rules made there under and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and as may be required under any other law for the time being in force.

Annexure-V

Statement pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014 forming part of the Directors' Report for the year ended March 31, 2019

(A) Personnel who are in receipt of remuneration at Top 10 personnel of the company, during the financial year:

S. No	Name of Employees	Designation	Salary(p.a)	Nature of Employment	Experience	Date of Commencement of employment	Age	Previous Employment	% share held in the company	Whether related to any director
1	Mr. Ramesh Agarwal	Managing Director	900,000	Permanent	40	4/1/2003	67	Nil	Nil	Yes*
2	Ms.Diksha Gandhi	Employee	315,000	Permanent	3	20/4/2017	25	Nil	Nil	No
3	Mr. Naveen Kumar	Employee	300,000	Permanent	7	2/2/2016	27	Nil	Nil	No
4	Hitesh Somani	Employee	255,000	Permanent	25	23/06/2014	41	Nil	Nil	No
5	Satesh Kishan Gavli	Employee	179,000	Permanent	5	1/4/2018	32	Yes	Nil	No
6	Audesh Kumar Mishra	Employee	135,000	Permanent	3	1/10/2018	28	Yes	Nil	No
7	Parmeshwar Chaudhary	Employee	105,000	Permanent	4	1/11/2018	27	Yes	Nil	No
8	Vishwanath Mahawar	Employee	70,000	Permanent	3.5	15/7/2016	27	Yes	Nil	No
9	Sushil	Employee	57,000	Permanent	2	1/4/2018	26	Yes	Nil	No
10	Narsibhai Desai	Employee	40,000	Permanent	3	1/1/2019	25	Yes	Nil	No
11	Gattu Lal Prjapat	Employee	30,000	Permanent	3	1/1/2017	27	Yes	Nil	No

(B) Personnel who are in receipt of remuneration aggregating not less than ₹ 1.02 crores per annum and employed through the financial year:

NIL

(C) Personnel who are in receipt of remuneration aggregating not less than ₹ 8,50,000 per month and employed for part of the financial year:

NIL

* Ms. Richa Agarwal, Director is a relative of Mr. Ramesh Agarwal, Managing Director of the Company.

For and on behalf of the Board
SRU Steels Limited

Sd/-

Ramesh Agarwal
Managing Director
DIN: 00151223

Place: New Delhi
Date: August 14, 2019

For and on behalf of the Board
SRU Steels Limited

Sd/-

Naresh Kumar Garg
Chairman
DIN: 00986846

PARTICULARS OF REMUNERATION

The information required under section 197 of the Act and the Rules made there-under, in respect of employees of the Company, is follows:-

- (a) **the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;**

Non - Executive Directors	Ratio of Median Remuneration
Mr. Naresh Kumar Garg, Chairman	-
Mr. Ashok Kumar Mahawar, Independent Director	-
Mr. Rajeev Mittal, Independent Director	-
Mr. Prem Prakash agarwal, Independent Director	-
Mr. Pankaj Jain, Independent Director	-
Ms. Richa Agarwal	-
Executive Directors	
Mr. Ramesh Agarwal, Managing Director	6.67

Note: Mr. Naresh Kumar Garg, Chairman does not receive any remuneration or sitting fee from the Company.

- (b) **the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;**

Name of Person	% Increase in remuneration
Mr. Naresh Kumar Garg, Chairman	-
Mr. Ashok Kumar Mahawar, Independent Director	-
Mr. Rajeev Mittal, Independent Director	-
Mr. Prem Prakash agarwal, Independent Director	-
Mr. Pankaj Jain, Independent Director	-
Ms. Richa Agarwal	-
Mr. Ramesh Agarwal, Managing Director	-
Mr. Hitesh Laxmikant Somani, CFO	41.67%
Ms. Diksha Gandhi, Company Secretary	42.21%

- (c) **the percentage decrease in the median remuneration of employees in the financial year: 167.33%**

- (d) **the number of permanent employees on the rolls of company: 11**

- (e) **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 increase in salaries of employees other than managerial personnel in 2018-19 was 59.96% as compared to average increase in managerial remuneration which is 12.95% and the reason being decrease in no. of Employees during the financial Year which lead to average increase in remuneration of employees

- (f) **The Company hereby affirm that the remuneration is as per the remuneration policy of the Company**

For and on behalf of the Board
SRU Steels Limited

For and on behalf of the Board
SRU Steels Limited

Sd/-

Ramesh Agarwal
Managing Director
DIN: 00151223

Sd/-

Naresh Kumar Garg
Director & Chairman
DIN: 00986846

Place: New Delhi
Date: August 14, 2019

CORPORATE GOVERNANCE REPORT

(In compliance with Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

I. MANDATORY REQUIREMENTS

1. Corporate Governance: Philosophy

SRU Steels believes that sustained growth and shareholder value enhancement can be achieved only with sound Corporate Governance. We strive to ensure that our performance is driven by integrity, values and ethics. Company has guiding principles laid out through its Code of business conduct, duly adopted and adhered to by directors and senior management personnel which has been posted on website of company.

Corporate Governance is about commitment to values and conducting the affairs of the business in an ethical manner. The basic philosophy of Corporate Governance is to achieve business excellence and dedicate itself for increasing long-term shareholder value.

Corporate Governance is based on the principles such as conducting the business with all integrity and fairness, being transparent with regard to all transactions, making all the necessary disclosures and decisions, complying with all the laws of the land, accountability and responsibility towards the stakeholders.

The Company's philosophy on Corporate Governance is to ensure the best possible management team with experienced professional people. The Company firmly believes that sound practices adopted in the governance of its affairs based on openness, transparency, capability and accountability are essential elements for long term success, building the confidence of its stakeholders, its functioning and conduct of business.

The Company has endeavoured to benchmark itself against global standards in all areas, including Corporate Governance. Good Corporate Governance implies optimum utilisation of the resources and ethical behaviour of the enterprise to enhance the stakeholders' value with strong emphasis on transparency, accountability and integrity, which are the primary objectives of SRU Steels Limited.

The Company has always maintained a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its Board Members, the Code of Conduct for regulating & Monitoring trading by the Insiders and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, as are available on the Company's website.

The Company has been complying with the Corporate Governance requirements, as stipulated under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchange.

2. Board of Directors

A. Composition of Board:

Your Board of Directors comprises optimal combination of Executive Directors, Non-Executive Directors, Independent Directors and Woman Directors. The size and composition

of the Board meets the requirement of Section 149 of the Companies Act, 2013 and Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Board composition of your Company as on 31st March, 2019 comprises of (7) seven directors out of which Six (6) Non-Executive Directors including the Chairman of the Board and One (1) is Executive Director designated as Managing Director. Out of the above Six Non-Executive Directors, (4) Four are Independent Directors who have been appointed for their professional expertise and experience that they possess. The composition of the Board of the Company is in conformity with the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, entered into by the Company with the Stock Exchange/(s)

The Board's role, functions, responsibilities and accountability are clearly defined. In addition to its primary role of monitoring corporate performance, the functions of the Board, inter-alia, include:

- Articulating the corporate philosophy and mission;
- The Board provides strategic guidance to the company ensures effective monitoring of the management and is accountable to the shareholders.
- Formulating strategic plans;
- The Board members act on a fully informed basis, in good faith, with due diligence and care, and in the best interests of the Company and the shareholders.
- The Board and senior management facilitates the Independent Directors to perform their role effectively as a Board member and also at a member of a committee.
- Ensuring fair and transparent conduct of business.
- Reviewing and approving borrowing/lending, investment limits and exposure limits, etc.;
- Reviewing statutory matters;
- Strategic acquisition of companies and critical assets;
- Review and adoption of Financial Statements, quarterly and annual financial results;
- Keeping shareholders informed about the plans, strategies and performance; and
- Ensuring 100% investor satisfaction.

None of the Directors including Independent Directors hold directorships in more than the maximum number of Directorships prescribed under Regulation 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. The Managing Director does not serve as an Independent Director in any Listed Company. Further as mandated by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the directors on the Board is a member of more than ten committee or hold office as a Chairman of more than five Committees across all the public companies in which he/she is a Director.

The detailed composition and category of the Directors as on 31.03.2019 is as follows:

Name of the Director	DIN	Designation	Category
Mr. Naresh Kumar Garg	DIN:00986846	Chairman	Non-Executive
Mr. Ramesh Agarwal	DIN:00151223	Managing Director	Executive
Mr. Rajeev Mittal	DIN: 00082115	Director	Independent, Non-Executive
Mr. Prem Prakash Agarwal	DIN: 00081871	Director	Independent, Non-Executive
Mr. Pankaj Jain	DIN: 01234804	Director	Independent, Non-Executive
Mr. Ashok Kumar Mahawar	DIN: 02600539	Director	Independent, Non-Executive
Ms. Richa Agarwal	DIN: 00082722	Director	Non-Executive

None of the Directors of the Company has any pecuniary relationship with the Company.

All the Independent Directors on the Company's Board are Non-Executive and:

- The Independence of the Directors is determined by the criteria stipulated under Section 149 of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- They do not have any material pecuniary relationship or transactions with the Company, its promoters, its Directors, its Senior Management, its Subsidiaries and Associates, which may affect independence of the Directors.
- Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.
- Has not been an Executive of the Company in the immediately preceding three financial years of the Company.
- Are not partners or executives or were not partners or executives of the Statutory Audit Firms or the Internal Audit Firms and Legal Firms, Consulting Firms, which have association with the Company.
- Are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect independence of the Directors
- Are not substantial shareholders of the Company, i.e. do not own two percent or more of the block of voting shares.
- Have furnished a declaration before the Board of Directors that they satisfy the conditions of their being independent as laid down under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under Section 149(6) of the Companies Act, 2013. All such declarations are placed before the Board.

The certificate from Practicing Company Secretary issued as per requirements of Listing Regulations, confirming that none of the Directors in the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of Companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority is attached to this Report.

Familiarization Programmes for Independent Directors

Your Company has formulated Familiarization Programme for all the Board Members in accordance with Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Schedule IV of the Companies act, 2013 which provides that the Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company etc. through various programs.

The Familiarization Programme conducted for Independent

Directors during the FY 2018-19 may be accessed on the Company's website at the link [http://www.srusteels.in/pdfs/FAMILIARISATION_PROGRAMME_FOR_INDEPENDENT_DIRECTORS\(1\).pdf](http://www.srusteels.in/pdfs/FAMILIARISATION_PROGRAMME_FOR_INDEPENDENT_DIRECTORS(1).pdf)

Key Board qualifications, expertise and attributes:

The Board of Directors comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective decisions or contributions to the Board, its committees and the management.

The list of core skills / expertise / competencies identified by the Board of Directors as required in the context of Company's business vertical(s) and those already available with the Board are as follows:

Industry Skills:

- Ability to comprehend intricacies of running an industry and guide the executive management to achieve desired goals.
- Knowledge of the steels industry and the products and the market;
- Knowledge / experience in the area of Research and Development, in particular, in the technological fields that are relevant for the business of the Company;
- Broad range of commercial / business experience;

Finance & Accounting:

- In-depth knowledge / experience in the field of finance and accounting and audit and the ability to analyze and assess the key financial statements;
- Ability to understand & interpret regulatory framework in which company operates & guide in alignment of business and policies with the same.
- Knowledge / experience in the governance, legal and compliance areas and the ability to identify key risks in a wide range of areas including legal and compliance risks;
- Knowledge / experience of the capital market and its developments;
- Ability to constructively manage crisis, provide leadership around solutions and contribute to communications strategy with stakeholders;

Personal Attributes / Qualities:

- Ability to understand the role and fulfillment of the duties and responsibilities of a Director while being transparent in disclosing potential conflict of interest, continue to self-educate on legal responsibility and ability to maintain board confidentiality;
- Ability to constructively contribute to board discussions and communicate effectively with management and other directors;
- Understand role as director and continue to self-educate on legal responsibility, ability to maintain board confidentiality;
- Ability to convey effectively and efficiently with all stakeholders to achieve organization goals.
- Trait of creating an inspiring vision, motivating people to engage with that vision and manage delivery of the vision.
- Ability to see future with precision based on knowledge, experience and power of reasoning to shape company's plans.

Information supplied to the Board

The Board has complete access to all information with the Company; inter alia, the information as required under the SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015 is regularly provided to the Board as a part of the Board Meeting agenda. All information stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is regularly provided to the Board as part of the agenda papers well in advance of the Board meetings. During the meeting, the senior management is invited to present the plans and achievements relating to their respective areas of responsibility.

Compliance reports of all applicable laws to the Company

The periodical reports submitted by the Internal Auditors and by the concerned executives of the Company with regard to compliance of all laws applicable to the Company including steps taken by the Company to rectify instances of non-compliances, if any, are reviewed by the Board at regular intervals.

Other Directorships, Chairmanships/ Memberships of Committees of each Director in various Public Companies and number of shares of the Company held as at March 31, 2019.

Name of the Director	Number of other Directorship in Indian Public Companies	Committee* Membership in other companies	Committee* Chairmanship in other companies	No. of shares held (as at March 31, 2019)
Mr. Naresh Kumar Garg	0	Nil	Nil	Nil
Mr. Ramesh Aggarwal	0	Nil	Nil	Nil
Mr. Rajeev Mittal	0	Nil	Nil	Nil
Mr. Prem Prakash Agarwal	0	Nil	Nil	36400
Mr. Pankaj Jain	0	Nil	Nil	Nil
Mr. Ashok Kumar Mahawar	0	Nil	Nil	29000
Ms. Richa Agarwal	0	Nil	Nil	Nil

*(Membership and Chairmanship of Audit Committee and Stakeholder's Relationship Committee in other companies has been considered).

None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. The Managing Director does not serve as an Independent Director in any Listed Company. Further as mandated by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the directors on the Board is a member of more than ten committee or hold office as a Chairman of more than five Committees across all the public companies in which he/she is a Director.

None of the Directors of the Company has any pecuniary relationship with the Company.

B. (i) (a) Information of the Board Meetings held during the year

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy in addition to the statutory and other matters. However, in case of business exigencies/urgencies resolutions are passed through circulation or additional meetings are conducted.

During the financial year 2018-2019, the members of the Board met 5 (Five) times to review, discuss and decide about the business of the Company.

The dates on which the said meetings were held are as follows:

Quarter	Date of Board Meeting
April, 2018- June, 2018	May 30, 2018
July, 2018 – September, 2018	August 02, 2018 August 14, 2018
October, 2019- December, 2018	November 14, 2018
January 2019- March, 2019	February 14, 2019

The necessary quorum was present at all the meetings. The maximum gap between any two Board meetings held during the year was not more than one hundred and twenty days. During

the year under review, no meeting was held via video conferencing.

B. (i) (b) Attendance of Directors at the Board Meeting & Last AGM

Name of the Director	Category of Directorship	No. of Board Meeting Attended	Attendance at last AGM
Mr. Naresh Kumar Garg	Chairman - Non-Executive Director	05	Yes
Mr. Ramesh Roshanlal Agarwal	Managing Director- Executive Director	05	Yes
Mr. Rajeev Mittal	Non-Executive & Independent Director	05	Yes
Mr. Prem Prakash Agarwal	Non-Executive & Independent Director	05	Yes
Mr. Pankaj Jain	Non-Executive & Independent Director	05	Yes
Mr. Ashok Kumar Mahawar	Non-Executive & Independent Director	03	Yes
Ms. Richa Agarwal	Non-Executive Director	04	Yes

Particulars and brief profile of Director retiring by rotation and also seeking re-appointment have been given in the notice for convening the Annual General Meeting.

B (i) (c) Information presented at meetings

The Board business generally includes consideration of important corporate actions and events including:

- Quarterly and annual result announcements;
- Oversight of the performance of the business;
- Board succession planning;
- Review of the functioning of the Committees and
- Other strategic, transactional and governance matters as required under the Companies Act, 2013, Listing Regulations and other applicable legislations.

C Committees of the Board

SRU Steels Limited has three Board Level Committees:

- Audit Committee,
- Nomination and Remuneration Committee and,
- Stakeholder's' Relationship Committee.

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas of concern for the Company and need a closer review. The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference of various Committees. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below.

3. Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, entered into with the Stock Exchange(s) read with Section 177 of the Companies Act, 2013 ("Act").

A. Brief description of terms of reference of Audit Committee

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling their responsibilities, the Audit Committee was constituted. Majority of the members of the Audit Committee are Independent Directors and have rich experience in the financial/legal sector.

The key responsibilities of the Audit Committee are to assist the Board in fulfilling its oversight responsibilities in relation to: financial reporting; the effectiveness of the system of risk management and robustness of internal financial controls and risk management framework including cyber security, adequacy and effectiveness of the Company's legal, regulatory and ethical compliance & governance programmes, monitoring the

qualifications, expertise, resources and independence of both the internal and external auditors; and assessing the auditors' performance and effectiveness each year.

The terms of reference of Audit Committee are as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 executed with the Stock Exchange(s), read with Section 177 of the Companies Act, 2013 and includes such other functions as may be assigned to it by the Board from time to time. The composition of the Audit Committee also adheres to the provisions of Section 177 of the Companies Act, 2013.

The main functions of the Audit Committee, inter-alia, include:

Role(s)/Terms of reference of Audit Committee are:

- Overseeing the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditor and Internal Auditors and fixation of audit fees and approval of payment for any other services.
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Cost Auditor.
- Evaluation of internal financial controls & risk management systems;
- Approval or any subsequent modification of transactions with related parties;
- Reviewing, with the Management, the Annual Financial Statements before submission to the Board for approval, with particular reference to:
 - (a) Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(5) of the Companies Act, 2013.
 - (b) Changes, if any, in accounting policies and practices and reasons for the same.
 - (c) Disclosure of any related party transactions.
 - (d) Compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other legal requirements relating to financial statements.
- Reviewing, with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in this matter.
- Review the appointment, removal and terms of remuneration of Internal Auditors.
- Reviewing, with the Management, performance of the Statutory and Internal auditors, adequacy of the Internal Control Systems.
- Reviewing the adequacy of Internal Audit Functions, 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.
- Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 cr. or 10% of the asset size of the subsidiary, whichever is lower.

- Discussion with the Internal Auditors any significant findings and follow up thereon.
- Review the Management Discussion and Analysis of Financial condition and results of operations.
- Discussion with the Statutory Auditors, before the Audit commences, about the nature and scope of Audit as well as post audit discussions to ascertain any area(s) of concern.
- Reviewing the Internal Audit Reports relating to internal control weaknesses.
- Carrying out any other function as mentioned in terms of reference of the Audit Committee.
- Reviewing the compliances regarding the Company's Whistle Blower Policy/Vigil Mechanism System.
- Approval of appointment of Chief Financial Officer (CFO) after assessing the qualifications, experience and background of the candidate.
- To investigate any activity within terms of reference and seek information from any employee.
- To obtain outside legal professional advice and
- Reviewing compliance of legal and regulatory requirements.

B. Composition & Qualification of Audit Committee

Name	Category of Directorship	Designation in Audit Committee	Qualification & Experience	No. of Meetings Attended
Mr. Rajeev Mittal	Non-Executive & Independent Director	Chairman	Rajeev Mittal, the Independent Director of SRU Steels Limited brings with him a tremendous amount of knowledge, experience, foresight and vision. He is graduate and having 29 years of experience in varied fields, he combines a strong comprehension of domestic business with innovative fundamental vision that aligns SRU Steels Limited towards a new dawn in integrated management systems.	05
Mr. Prem Prakash Agarwal	Non-Executive & Independent Director	Member	He is an Independent Director of the Company. He has been an integral part of the industry and having rich knowledge of Steel trading business. Over more than 28 years of experience in finance and Accounts.	05
Mr. Pankaj Jain	Non-Executive & Independent Director	Member	He is an Independent Director of the Company. He is Graduate & having 18 years of experience in the field of Real Estate development and construction. He is having a wide knowledge of Stainless Steel.	05

C. Meetings of Audit Committee

During the financial year 2018-19, five (5) meetings of Audit Committee were held:

Quarter	Date of Meeting	Number of Members Present	Number of Independent Directors Present
April 2018 - June 2018	May 30, 2018	03	03
July 2018 - September 2018	August 02, 2018 August 14, 2018	03 03	03 03
October 2018 - December 2018	November 14, 2018	03	03
January 2019- March 2019	February 14, 2019	03	03

The Internal Auditors and Statutory Auditors are invitees to the Audit Committee Meetings.

Ms. Diksha Gandhi, Company Secretary acts as the Secretary to the Audit Committee.

The previous Annual General Meeting (AGM) of the Company was held on Saturday, September 29, 2018.

4. Stakeholders' Relationship Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

your Company has constituted the Investors' Grievance Committee as Stakeholders' Relationship Committee to look into following matters

- ❖ Resolving the grievances of the security holders of the entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- ❖ Review of measures taken for effective exercise of voting rights by shareholders of the Company;
- ❖ Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- ❖ Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the company.
- ❖ Initiatives for registration of e-mail IDs, PAN & Bank mandates and demat of shares;
- ❖ Review shareholding distribution;
- ❖ Review movement in shareholding pattern;
- ❖ Comparative details on demat and physical holding.
- ❖ In addition, the Committee looks into other issues including status of dematerialization/ re-materialization of shares, transfer/transmission as well as systems and procedures followed to track investor complaints and suggest measures for improvement from time to time.

During the year 2018-19, the Committee met on June 08, 2018, August 28, 2018, December 04, 2018 and March 28, 2019 and oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in quality of investor service. The Committee also looks into redressal of shareholder's/investors complaints.

A. Composition of Stakeholders' Relationship Committee:

Name	Category of Directorship	Designation
Mr. Pankaj Jain	Non-Executive & Independent Director	Chairman
Mr. Ramesh Agarwal	Executive Director	Member
Mr. Prem Prakash Agarwal	Non-Executive & Independent Director	Member

4(Four) meeting of the Committee was held during the year under review and the same were attended by all the members of Committee.

B. Name, Designation and Address of Compliance Officer

Ms. Diksha Gandhi
Company Secretary & Compliance Officer,
SRU Steels Limited
A-48, 1st Floor, Wazirpur Industrial Area
Delhi-110052

C. Complaint Status

During the year, the Company has not received any investor complaints. As on date, there is no pending complaint of any shareholder. At the beginning of the year, no complaint was pending. There were no outstanding complaints as on March 31, 2019.

Terms of reference of the Committee, inter-alia, include:

1. Review, on periodic basis, status of grievances relating to transfer, transmission of shares, and issue of duplicate shares;
2. Monitor expeditious redressal of Investors' grievances;
3. Review instances of non- receipt of Annual Report and declared dividend and

4. Consider all matters related to all security holders of the Company.

SEBI vide Circular no. CIR/OIAE/2/2011 dated June 3, 2011 informed the Company that they had commenced processing of investor complaint in a web based complaints redress system viz. SCORES. Under this system all complaints pertaining to companies are electronically sent through SCORE and the companies are required to view complaint pending against them and submit action taken report along with supporting documents electronically in SCORES.

Pursuant to Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practising Company Secretary has been submitted to the Stock Exchanges within stipulated time.

5. Nomination & Remuneration Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013, read with rules framed thereunder and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted the Nomination & Remuneration Committee.

The Nomination & Remuneration Committee comprises of three (3) Directors (all Independent Directors).

Ms. Diksha Gandhi, Company Secretary, acts as the Secretary to the Committee.

The broad terms of reference of the Committee includes:

- ❖ Identifying candidates for Directorships, evaluation of the performance of the Directors, determination of remuneration to be paid to the Directors, Key Managerial Personnel and other employees of the Company.
- ❖ Review and recommend the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and its Committees;
- ❖ Formulation of criteria for evaluation of performance of Independent Directors and Board of Directors;
- ❖ Formulate and recommend to the board, policy relating to remuneration of directors, key managerial personnel and other employees;
- ❖ Evaluate the balance of skills, knowledge, experience and diversity on the Board for description of the role and capabilities, required for an appointment;
- ❖ Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- ❖ The Committee also oversees the Company's nomination process for key leadership positions, specifically at the Board level.

The committee shall approve the remuneration payable to the executives of the Company for each financial year. The Committee shall also review, appraise and approve such other matter(s) as the board may recommend to it.

A. Composition of Nomination & Remuneration Committee:

Name of Director	Category of Directorship	Designation in Committee
Mr. Prem Prakash Agarwal	Non-Executive & Independent Director	Chairman
Mr. Pankaj Jain	Non-Executive & Independent Director	Member
Mr. Ashok Kumar Mahawar	Non-Executive & Independent Director	Member

4 (Four) meeting of the Committee were held during the year under review and the same were attended by all the members of Committee.

B. Dates & no. of meetings of Nomination and Remuneration Committee held during the year under members attendance thereon:

Quarters	Date of Meeting	Members Present	Number & Name of Director Absent
April 2018- June 2018	May 30, 2018	03	Nil
July 2018-September 2018	August 14, 2018	03	Nil
October 2018- December 2018	Dec 04, 2018	03	Nil
January 2019- March 2019	March 19, 2019	03	Nil

C. Policy on Board Diversity

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the remuneration policy is framed and adopted.

The Broad objectives of the Policy are:

The Policy shall confirm with the following two principles for achieving diversity on its Board:

- Decisions pertaining to recruitment, promotion and remuneration of the directors will be based on their performance and competence; and
- For embracing diversity and being inclusive, best practices to ensure fairness and equality shall be adopted and there shall be zero tolerance for unlawful discrimination and harassment of any sort whatsoever.

In order to ensure a balanced composition of executive, non-executive and independent directors on the Board, the Company shall consider candidates from a wide variety of backgrounds.

D. Remuneration Policy:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the remuneration policy is framed and adopted. The remuneration paid to Executive Directors of the Company is approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee. The Company's remuneration strategy is market-driven and aims at attracting and retaining high calibre talent.

The Broad objectives of the Policy are:

- To lay down criteria for identifying persons who are qualified to become Directors and who may be appointed in Senior Management of the Company in accordance with the criteria laid down;
- To lay down criteria for determining qualification, positive attributes and Independence of a Director;
- To lay down criteria relating to remuneration of directors, key managerial personnel and other employees;
- To retain, motivate and promote exceptional talent and to ensure long term sustainability of the talented managerial persons and create competitive advantage;
- To promote and welcome diversity, equal opportunities and gender mix in the Board composition with due recognition and weightage to the skills, experience and business acumen of the directorship candidatures.

E Particulars of Directors' Remuneration during the financial year 2018-2019:

The details of remuneration paid to the Directors during the year ended March 31, 2019, are given below:

Name of the Directors	Salary (Rs.)	Perquisites (Rs.)	Sitting Fees (Rs.)	Total
Mr. Ramesh Agarwal (MD)	900,000	-	-	900,000
Mr. Prem Prakash Agarwal	-	-	-	-
Mr. Pankaj Jain	-	-	-	-
Mr. Naresh Kumar Garg	-	-	-	-
Mr. Rajiv Mittal	-	-	-	-
Mr. Ashok Kumar Mahawar	-	-	-	-
Ms. Richa Agarwal	-	-	-	-
Total	900,000	-	-	900,000

6. Evaluation of performance of the Board, its committees and Individual Directors (Including Independent Directors)

As required under Section 134(3)(p) of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board of Directors has carried out an annual evaluation of its own performance and that of its Committees and individual Directors.

Evaluation of the Board and its Committees is based on various aspects of their functioning, such as, adequacy of the constitution and composition of the Board and its Committees, matters addressed in the meetings, processes followed at the meeting, Board's focus, regulatory compliances and Corporate Governance, etc., are in place. Similarly, for evaluation of individual Director's performance, various parameters like Director's profile, contribution in Board and Committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, etc., are considered.

The performance of the Board and individual Directors was evaluated by the Board after seeking inputs from all Directors. The performance of the committees was evaluated by the Board after seeking inputs from the committee members. The Nomination and Remuneration Committee reviewed the performance of the Individual Directors.

As required under Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board assessed the performance of the Independent Directors, individually and collectively as per the criteria laid down and on an overall assessment, the performance of independent directors was found noteworthy. The Board has therefore recommended the continuances of the Independent Directors on the Board of the Company. The Board has evaluate the performance of the independent directors on the parameters such Qualification, knowledge, experience, initiate, attendance, concerns for the stakeholders, leadership, team work attributes, effective interaction, willing to speak up, high governance standard, integrity, relationship with management, Independent views and judgement. Further, the Board and each of the Directors had evaluated the performance of each individual director on the basis of above criterion.

The members of the committee of audit, nomination & remuneration and stakeholder's relationship committee were also assessed on the above parameters and also in the context of the Committee's effectiveness vis-à-vis the Companies Act and Listing Regulations.

The Board of Directors has assessed the performance of the Board as whole and committees of the Company based on the parameters which amongst other included structure of the Board, including qualification, expectance and competency of the Directors, diversity of the Board and process of appointment; Meeting of the Board, including regularity and frequency, agenda, discussion and dissent, recording of the minutes, functions of the Board, including strategy and performance

evaluation, corporate culture and value, evaluation of risks, succession plan, focus on the shareholders' value creation, effectiveness of Board process, governance and compliance and meaning full communication, high governance standard, knowledge of business, openness discussion/integrity and information and functioning and quality of relationship between the Board and management.

Further as required under Schedule IV of the Companies Act, 2013 Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Separate meeting of the independent directors was convened, whereas Independent Directors had evaluated the performance of the non-independent directors and the Board as whole on parameters as enumerated above. They also reviewed performance of the chairman of the Company on the parameters such as effectiveness of leadership and ability to steer the meeting, impartiality, commitment and ability to keep shareholders' interest in mind and also assessed the quality and timeline of the flow of the information between the company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The nomination and remuneration Committee & Audit Committee has also reviewed and considered the collective feedback of the whole of evaluation process. The Directors were satisfied with the evaluation results which reflected the overall management and effectiveness of the Board and its Committees.

7. Meeting of Independent Directors

In terms of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company shall meet once in a year to review the performance of Non-Independent Directors, the Board as a whole, review the performance of the Chairman of the Company and assessed the quality, quantity and timelines of flow of information between the Company Management and the Board.

The Independent Directors of the Company had met during the year on 19th February, 2019 without the presence of Non-Independent Directors and the Members of Management and discussed, inter-alia, the performance of Non-Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of Executive and Non- Executive Directors and has assessed the quality, quantity and timelines of flow of information between the Company Management and the Board.

The Board of Directors had reviewed the individual performance of all the Independent Directors as per the standard criteria laid down. The Independent Directors whose performance was reviewed by the Board excused themselves from attending that part of the meeting as required under the statute.

Separate Meeting of Independent Directors

A separate meeting of Independent Directors for the year 2018-2019 was held on 19th February, 2019. All Independent Directors actively participated and provided guidance to the Company in all its spheres. In accordance with the Listing Regulations, following matters were, inter alia, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole.
- Performance of the Chairman of the Company taking into consideration the views of Executive and Non-Executive Directors.

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

8. Reconciliation of Share Capital Audit:

A qualified practising Company Secretary carries out an audit on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital and the reports are placed before the Board of Directors for its perusal. The said report confirms that the total issued and listed capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

As required under Regulation 7(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has submitted a compliance certificate to the exchange duly signed by the Compliance Officer and the authorised representative of Share Transfer Agent viz. M/s Beetal Financial & Computer Services Private Limited to the Stock Exchange on 8th of April, 2019 for the half year ended 31st March, 2019 certifying compliance that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent registered with SEBI.

9. General Body Meetings:

The concise details of Annual General Meetings held during the previous three years are as under:

A. Annual General Meetings:

Financial Year	Location and Time	Special Resolutions passed
2017-2018	29 th September, 2018 at 10.00 A.M. at A-48, 1 st Floor, waxirpur Industrial Area, Delhi-110052	1 (One) Special Resolutions were passed in this meeting.
2016-2017	29 th September, 2017 at 10.00 A.M. at 416-417-432, Rajendra Jaina Tower-1, Plot No. 18, Wazirpur Shopping Complex, Delhi-110052	No Special Resolutions were passed in this meeting.
2015-2016	30 th September, 2016 at 10.00 A.M. at 416-417-432, Rajendra Jaina Tower-1, Plot No. 18, Wazirpur Shopping Complex, Delhi-110052	1 (One) Special Resolutions were passed in this meeting.

B. Postal Ballot:

During the preceding financial year, no resolution was passed through postal ballot and presently no resolution has been proposed through postal ballot.

C. Extra-Ordinary General Meetings:

No EGM was held during the Financial Year 2018-19.

10. Disclosures

A. Disclosures of Related Party Transactions

The Company has formulated a policy on related party transactions in terms of Regulation 23(1) of SEBI (LODR) Regulations, 2015.

During the Financial Year 2018-19, there were no such Related Party Transactions, either as per Companies Act, 2013 or Listing Regulations which were required to be approved by the Board of Directors or the shareholders of the Company. Further, there were no materially significant related party transactions of the company of material nature, with promoters, the Directors or Management or relatives etc that may have potential conflict with the interests of Company at large, Transactions with related parties are disclosed in Note no. 35 of the Financial Statements. Weblink of policy dealing with related party transactions is

available at <http://www.srusteels.in/pdfs/related%20party%20Policy%20SRU.pdf>

B. Disclosure regarding appointment/re-appointment of directors

In terms of Section 152 of the Companies Act, 2013, Ms. Richa Agarwal (DIN: 00082722) shall retire by rotation at the ensuing Annual General Meeting and being eligible for re-appointment.

The term of Mr. Prem Prakash Agarwal, Mr. Rajeev Mittal, Mr. Ashok Kumar Mahawar and Mr. Pankaj Jain, Independent Director of the Company will be expired as on September 28, 2019 and they are eligible to be reappointed as Independent Directors for a further term of 5 years.

The Board proposed their reappointment as Independent Director for a further tenure of 5 years.

Brief details as required under Regulations 36(6) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, and Secretarial Standard-2 on the General Meeting in respect of the Directors seeking reappointment at Annual General Meeting are annexed with the notice. The Directors have furnished the requisite consent/declaration(s) for their appointment.

C. Vigil Mechanism/Whistle Blower Mechanism

The model Vigil Mechanism policy as recommended by the Audit Committee has been adopted by the Board of Directors of the Company in terms of Section 177(9) of the Companies Act, 2013. The policy provides adequate safeguards against victimization of employees and also provides for access to the Audit Committee. It is affirmed that no personnel has been denied access to the Audit Committee. The policy has also been displayed on the Company's website.

Your Company has in place a Whistle-Blower Policy, as part of vigil mechanism and can be accessed at <http://www.srusteels.in/pdfs/Vigil%20Mechanism.pdf>

D. Management & Discussion Analysis Report:

The comprehensive Management & Discussion Analysis Report has been enclosed with this report.

E. Details of Compliances/ Non compliances by the Company with applicable Laws

The Board of Directors periodically reviews compliance reports of the laws applicable to the Company and the Company initiates requisite action for strengthening of its statutory compliance procedures, as may be suggested by the members of the Board from time to time.

The Company has complied with the requirements of the Stock Exchange/SEBI/any Statutory Authority on all matters related to capital Markets.

F. Subsidiary Companies

The Company does not have any Subsidiary for the financial year ended 31st March, 2019.

G. Code for Prevention of Insider Trading Practices

In compliance with SEBI's regulations on Prevention of Insider Trading, the Company has instituted a comprehensive Code of Conduct for its Directors and Designated Employees. The code lays down guidelines which advise them on procedure to be followed and disclosures to be made while dealing with shares of the Company and cautioning them of consequences of violations.

Based on the recent amendments in the SEBI (Prevention of Insider Trading Regulations), 2015, the company has revised the "Code of Conduct for Prevention of Insider Trading" of the Company. Company Secretary, is the Compliance Officer for the

purpose of this code. During the year, there has been due compliance with the code by the Company and all insiders and requisite disclosures were made to the Stock Exchanges from time to time.

The Company has now adopted the new amended SEBI's (Prevention of Insider Trading) Regulations, 2015 duly approved by the Board of Directors at its meeting held on May 14, 2015, in term of which the Code of Practices Procedure for fair disclosure unpublished price sensitive information and the Code of Internal procedure and conduct for regulation, monitor and report of trading in the Securities for the designated employees and the connected persons have been adopted and have been posted on the Company's website <http://www.srusteels.in/codeofconduct.html>.

H. Risk Management

The Company has adopted a Risk Management Policy. It has laid down the procedures to inform the Board members about potential risks, their assessment and control. These procedures are periodically reviewed to ensure that the executive management control risk by means of properly defined framework of policies and strategies.

The Company also has a system of Internal Audit and the Internal Auditors report directly to the Audit Committee of the Company.

I. Adoption of Mandatory and discretionary requirements of the Corporate Governance as specified in the Listing Regulation 17 to 27 and Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

The Company has complied with all the mandatory requirements stipulated under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Company has also adopted non-mandatory requirements to the extent and in the manner as stated under the appropriate headings detailed elsewhere in this report.

The Company has complied with the requirements of Part C (Corporate Governance Report) of Sub-Paras (2) to (10) of Schedule V of the Listing Regulations.

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

J. Disclosure of Accounting Treatment

The Ministry of Corporate Affairs (MCA), vide its notification I the official gazette dated February 16, 2015, notified the Indian Accounting Standards (IND AS) applicable to certain classes of Companies. IND AS has replaced the existing Indian GAAP prescribed under section 133 of the Companies (Accounts) Rules, 2014.

The Company has adopted Indian Accounting Standards ("Ind AS") from April 01, 2017 (transition date to IND AS is April 01, 2016) and the financial Statements have been prepared in accordance with recognition and measurement principal of Indian Accounting Standards ("IND AS") as prescribed under the Companies (Indian Accounting Standards) Rules, 2015, as specified in section 133 of the Companies Act, 2013. The Annual Accounts for the year ended March 31, 2019 have been prepared in accordance to Indian Accounting Standard (IND AS) and the figures for the year ended March 31, 2018 have been restated in terms of IND AS.

There is no explanation required to be given by the management, as per Regulation 34(3) read Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

K. Proceeds from the public issue/rights issue/preferential issues etc.

There was no public issue/ right issue/preferential issue etc. made by your Company during the financial year 2018-19.

L. Disclosure on Commodity Price Risks or Foreign Exchange Risk and Hedging Activities

The Company has witnessed a major structural federal tax change in the current fiscal which has influenced the fundamentals of the trade dynamics in various items/commodities. The Company has prudently sailed through the changed environment and swiftly transited into the new regime through a collaborative engagement with different stakeholders in the supply chain.

The Company is subject to market risk with respect to commodity price fluctuations in a wide range of materials which are drawn from the agriculture. The Company hedges exposure to commodity risks through a judicious mix of long term contracts in seasonal items and strategic buying initiatives in other commodities. The Company has a robust governance framework /mechanism in place to ensure that the Company is effectively safeguarded from the market volatility in terms of price and availability.

As regards foreign exchange risks, keeping in view the position of rupee in the market vis-a-vis foreign currency, the Company has been taking natural hedge to the extent of foreign debtors and rest of the loan in foreign current is unhedged.

M. Code of Conduct for the Board of Directors and Senior Management Personnel Code of Conduct

The Company has a well-defined policy framework which lays down procedures to be followed by the employees for ethical professional conduct. The code of conduct has been laid down for all the board members and senior management of the Company. The Board members and senior management personnel have affirmed compliance with the Company's Code of Conduct for the year 2018-19. The code has also been displayed on the Company's website <http://www.srusteels.in/codeofconduct.html>

N. Certificate from PCS regarding Non Disqualification of Director

A Certificate from Anand Nimesh & Associates, Practice Company Secretaries has been received stating that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

O. Fees to Statutory Auditors

Total fees for all services paid by the listed entity to the statutory auditor are mentioned in Notes to Accounts.

P. Strictures and Penalties

There was one instances of non-compliance by the Company or any penalties or strictures imposed on the Company by stock exchanges with regards to inadvertently non filling of investor complaints for the quarter ended December, 2018 for which a penalty of Rs. 18800/- was levied on our company, non-compliance was subsequently rectified on 7th Feb, 2019 and penalty imposed has been paid and board made sure that such noncompliance's doesn't happens in future.

Q. Policy for determining 'material' subsidiaries

As required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,

2015, the Company has formulated a Policy for determining 'material' subsidiaries which has been put up on the website of the Company at <http://www.srusteels.in/pdfs/PolicyonDisclosures.pdf>

R. Disclosure on demat Suspense Account/unclaimed Suspense Account

There are no shares which lying in the demat suspense Account and Unclaimed Suspense Account.

S. There were no instances where the Board had not accepted any recommendation of any committee during the financial year.

T. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as under:

S. No	Particulars	No. of Complaints
1.	Number of complaints filed during the financial year	Nil
2.	Number of complaints disposed of during the financial year	Nil
3.	Number of complaints pending as on end of the financial year	Nil

U. The SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, vide its Regulation 46(1) stipulated that the company should maintain a functional website containing the basic information about the company and to update the contents of the said website periodically. In pursuance to this clause, the Company updates its website with all relevant information as envisaged in the said regulation and as per the provision of the companies Act, 2013. The website of the company may be accessed at <http://www.srusteels.in>.

V. In Pursuant to Regulation 31 of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, 100% of the shareholding of the promoter and promoter group has been dematerialized and all the shares are held dematerialized mode to allow the shares of the company to be traded in the Stock Exchanges in the normal segment.

11. Discretionary Requirements

As required under Regulation 27(1) read with Part E of Schedule II the details of discretionary requirements are given below:

A. The Board

The Company has not set up any office for the Non-executive Chairman and no reimbursements of expenses are incurred in the performance of his duties.

B. Shareholders Rights

The quarterly/half yearly un-audited results of the Company after being subjected to a Limited Review by the Statutory Auditors are published in newspapers and on the Company's website http://www.srusteels.in/quaterly_results.html.

These results are not sent to shareholders individually.

C. Unmodified Opinion(s) in Audit Report

The Auditor has issued an unqualified/Unmodified opinion on the statutory financial statement of the Company.

D. Separate posts of Chairman and CEO

The Company has appointed separate persons to the post of Chairman and Managing Director.

E. Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

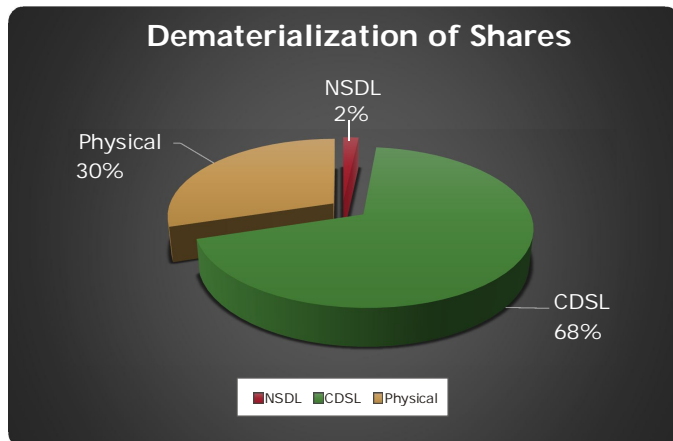
F. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

As per the provisions of the Sexual Harassment of Women at

Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee. During the year 2018-19, no complaint was received by the committee. As such, there are no complaints pending as at the end of the financial year.

12. General Shareholder Information:

Annual General Meeting (Date, Time & Venue)	Monday, 30 th September, 2019 at 11:00 AM at the Ground Floor, Kh.No. 21/5, Village Nangli Poona, North West Delhi, Delhi-110036																					
Financial Year	1 st April 2018 - 31 st March 2019																					
Date of Book Closure	Tuesday, September 24, 2019 to Monday, September 30, 2019 (both days inclusive).																					
Dividend Record (Last three years)	Financial Year 2015-16 NIL Financial Year 2016-17 NIL Financial Year 2017-18 NIL																					
Dividend for Financial Year 2018-2019	The Company has not recommended any dividend.																					
Listing on Stock Exchanges	Shares of the Company are listed on BSE Limited w. e f 2 nd February, 2018 Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 Listing fees for the Financial Year 2019-20 has been duly paid																					
Scrip Code	540914																					
ISIN NO.	INE425C01017																					
Financial Calendar 2019-20 (Tentative & Subject to Change)	1. First Quarter results - 14 th August, 2019 2. Second Quarter results - 2 nd week of November, 2019 3. Third Quarter results - 2 nd week of February 2020 4. Audited yearly & forth quarterly results for the year and quarter ended March 31, 2020 - Last week of May, 2020																					
Registrar & Transfer Agents (both for Electronic & Physical Segment)	Beetal Financial & Computer Services (P) Ltd 3rd Floor, 99 Madangir, BH-Local Shopping Complex, Near Dada Harsukhdas Mandir, New Delhi-110062 Contact Person: Sh. Bhawendra Jha																					
Share Transfer Systems	Transfer of shares in dematerialized Form is done through Depository Participant, but as regards transfer of shares in Physical Form, the transfer document can be lodged with Beetal Financial & Computer Services (P) Ltd., Registrar and Share Transfer Agent or with the Company. The Physical Shares along with valid and duly executed transfer instrument as and when received are duly processed and shares in respect of valid transfer instruments are transferred in the name of transferee complying with the rules in force. The shares are transferred after obtaining the approval from the Board. Duly transfer share certificates are returned within a period of 30 days from the date of receipt subject to the documents being valid and complete in all respects.																					
Permanent Account Number (PAN) for transfer of shares in physical form	SEBI vide its Circular dated May 20, 2009 has stated that for securities market transactions and off-market transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company's RTA for registration of such transfer of shares. Accordingly, shareholders are requested to please furnish copy of PAN Card to the Company's RTA for registration of transfer of shares in their name.																					
Reconciliation of Share Capital Audit	Reconciliation of Share Capital Audit is conducted on quarterly basis by a Qualified Practicing Company Secretary to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Service Ltd. (CDSL) with the total issued and listed Capital. The Report is submitted to the Board of Directors and to the concerned Stock Exchanges where the shares of the Company are listed for trading. As required under Regulation 7(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015, it has submitted a compliance certificate to the Stock Exchanges, duly signed by the Compliance officer of the company and authorised representative of the RTA i.e. M/s Beetal Financial Computer Services (P) Ltd. certifying compliance that all activities in relation to both physical and electronic share transfer facility are maintained by the Registrar and Share transfer Agent registered with SEBI.																					
Dematerialization of Shares	The Company's shares are available for dematerialisation on both the depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Service Ltd. (CDSL). (i) Dematerialization of Shares as on 31 st March, 2019																					
	<table border="1"> <thead> <tr> <th>Particular</th> <th>Number of Shares</th> <th>Percentage (%)</th> </tr> </thead> <tbody> <tr> <td>Dematerialization:</td> <td></td> <td></td> </tr> <tr> <td>NSDL</td> <td>140080</td> <td>1.753</td> </tr> <tr> <td>CDSL</td> <td>5468420</td> <td>68.425</td> </tr> <tr> <td>Sub-Total:</td> <td>5608500</td> <td>70.177</td> </tr> <tr> <td>Physical:</td> <td>2383400</td> <td>29.823</td> </tr> <tr> <td>Total:</td> <td>7991900</td> <td>100</td> </tr> </tbody> </table>	Particular	Number of Shares	Percentage (%)	Dematerialization:			NSDL	140080	1.753	CDSL	5468420	68.425	Sub-Total:	5608500	70.177	Physical:	2383400	29.823	Total:	7991900	100
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Physical:	2383400	29.823																				
Total:	7991900	100																				
Secretarial Audit	Pursuant to Section 204 of the Companies Act, 2013, the Company has appointed M/s Anand Nimesh & Associates, Companies Secretaries as Secretarial Auditor of the Company to conduct the Secretarial Audit of the Company for the financial year 2018-19.																					
Outstanding GDRs	There are no outstanding GDRs/ ADRs/ Warrants or any other convertible instruments.																					
Regd. & Corporate Office :	A-48, 1 st Floor, Wazirpur Industrial Area, Delhi-110052																					
Address for Correspondence	A-48, 1 st Floor, Wazirpur Industrial Area, Delhi-110052																					
Credit Rating	The Company has not availed any credit Rating facility during the year. The Company does not have any fixed deposit programme nor has any proposal involving mobilisation of funds in India or abroad.																					
Compliance Officer	Ms. Diksha Gandhi (Company Secretary) Tel :011-27373622; E-Mail: srusteels@yahoo.in Website: www.srusteels.in The Company has designated an e-mail id viz. srusteels@yahoo.in to enable the investors to register their complaints/ suggestions/queries, if any.																					

Dematerialization of Shares as on 31st March, 2019**Means of Communication**

The financial results of the Company are published in widely circulated national dailies such as The Financial Express, English newspaper and The Jansatta, Hindi newspaper. Information at the time of declaration of results is also sent to all stock exchanges where the shares of the Company are listed for trading. The Company's annual report containing, inter alia, audited annual accounts, directors' report, auditors' report, management discussion analysis and other important information is circulated to all the members. All the above results and documents are also displayed on Company's official website www.srusteels.in.

Green Initiative in the Corporate Governance by the Ministry of Corporate Affairs

The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued circulars stating that the service of official documents by a company to its members can be made through electronic mode.

To support this green initiative of the Government in full measure, all the members are requested to register/update their email IDs with their depository participants, in case shares are held in electronic mode, to ensure that Annual Report and other documents reach them at their preferred email IDs and where the shares are held in physical mode, members are requested to get their email IDs updated in the records of the company.

All the official documents including Annual Report of the Company, circulated to the Members of the Company through electronic mode, will be made available on the Company's website www.srusteels.in.

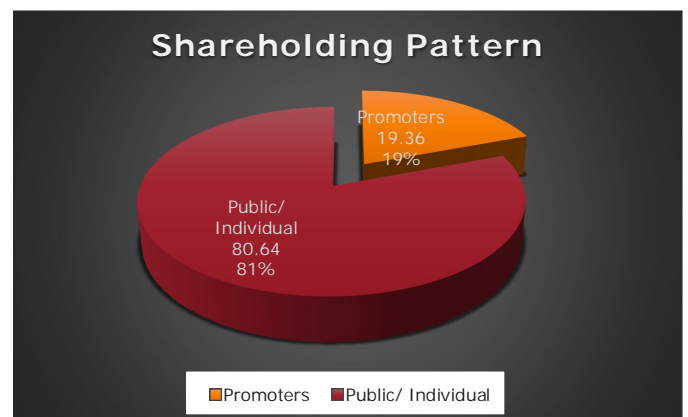
Distribution of Shareholdings as on March 31, 2019:

Range(in Shares)		No. of Shares holders	No. of Shares	% of Total
From	To			
1	5000	30	8711	0.1091
5001	10000	48	47200	0.5906
10001	20000	5	9600	0.1201
20001	30000	1	3000	0.0375
30001	40000	7	26600	0.3328
40001	50000	3	15000	0.1877
50001	100000	13	108700	1.3601
100001	And above	64	7773089	97.2621
Total		410	7991900	100.00

Shareholding Pattern of the Company as on March 31, 2019:

	No. of Shares	%
Promoters	1547000	19.36
Banks, Financial Institutions & FIs	NIL	-
Bodies Corporate	NIL	-
Non Resident Indians	NIL	-
GDR	NIL	-
Public/ individuals	6444900	80.64
Total	7991900	100.00

* No pledge has been created on the shares held by promoters or promoter group as on March 31, 2019

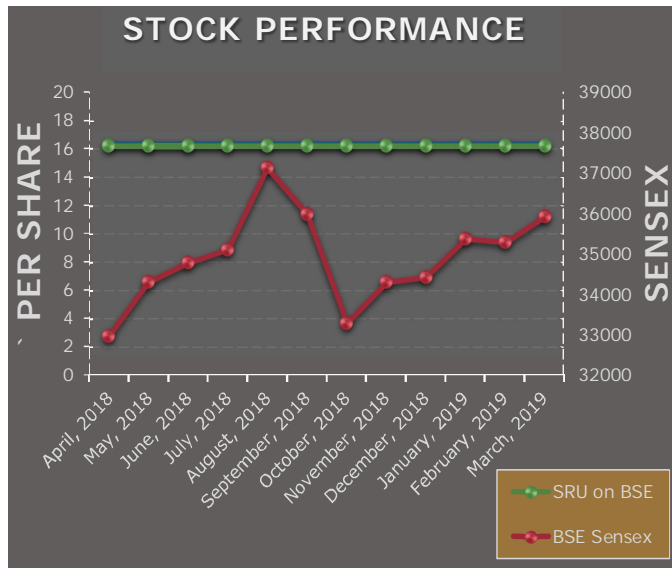
**List of Top 10 Shareholders (other than Promoters) as on March 31, 2019**

S.No.	Name of the Shareholder	Number of shares
1	R.L.Agarwal & Sons Securities Pvt Ltd.	976,500
2	Mr. Satish Agarwal	871,500
3	Mr. Satish Agarwal HUF	822,500
4	Mrs. Uma Agarwal	518,000
5	Mr. Apoorv Agarwal	402,000
6	Mr. Arpit Agarwal	311,500
7	Mr. Ganesh Yadav	102,200
8	Mr. Rajiv Ranjan Gupta	100,000
9	Mr. Ankul Agarwal	100,000
10	Mr. Bajrang Lal Chauhan	87,200
	TOTAL	4,291,400

Market Price Data Monthly High and Low quotation of shares traded on BSE during the year 2018-19.

Month End	Sensex		SRU STEELS	
	High	Low	High	Low
April, 2018	35213.3	32972.56	16.35	16.20
May, 2018	35993.53	34302.89	16.35	16.20
June, 2018	35877.41	34784.68	16.35	16.20
July, 2018	37644.59	35106.57	16.35	16.20
August, 2018	38989.65	37128.99	16.35	16.20
September, 2018	38934.35	35985.63	16.35	16.20
October, 2018	36616.64	33291.58	16.35	16.20
November, 2018	36389.22	34303.38	16.35	16.20
December, 2018	36554.99	34426.29	16.35	16.20
January, 2019	36701.03	35375.51	16.35	16.20
February, 2019	37172.18	35287.16	16.35	16.20
March, 2019	38748.54	35926.94	16.35	16.20

The Company's equity share performance compared to BSE Sensex is as under:



13. Compliance Certificate from Practicing Company Secretary on Corporate Governance

As required under Schedule V sub-clause (E) Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Certificate from Practicing Company Secretary is annexed and forms part of this Annual Report.

Place: New Delhi
Date: August 14, 2019

14. Code of Conduct for Board of Directors and Senior Management Personnel

The Board of Directors has adopted Code of Conduct, applicable to Directors and to Senior Management Personnel of the Company. The said Code of Conduct have been posted on the Company's website [http://www.srusteels.in/pdfs/Code% 20 of %20Conduct%20for%20board%20members%20and%20senior%20personnel.pdf](http://www.srusteels.in/pdfs/Code%20of%20Conduct%20for%20board%20members%20and%20senior%20personnel.pdf).

The Company has obtained declarations from all its Directors and Senior Management Personnel affirming their compliances with the applicable Code of Conduct. The declaration by the Managing Director under Schedule V sub-clause (D) Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 affirming compliance of the Code of Conduct by all members of the Board and the Senior Management Personnel for the year ended 31 March, 2019 is attached to this Corporate Report.

15. SEBI Complaints Redress System (SCORES)

The Company processes the investors' complaints received by it through a computerized complaints redressal system. The salient features of this system are computerized database of all the inward receipts and action taken on them, online submission of Action Taken Reports (ATRs) along with supporting documents electronically in SCORES. The investors' can view online the current status of their complaints submitted through SEBI Complaints Redress System (SCORES).

The above report has been placed before the Board at its meeting held on August 14, 2019 and the same was approved.

**By the order of the Board
For SRU STEELS LIMITED**

**SD/-
Ramesh Agarwal
(Managing Director)
DIN: 00151223**

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To

The Members of
SRU Steels Limited
A-48, 1st Floor, Wazirpur Industrial Area
New Delhi-110052

1. This report contains details of compliance of conditions of corporate governance by **SRU Steels Limited** ('the Company') for the year ended 31st March, 2019 as stipulated in regulation 17-27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

2. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Our Responsibility

3. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2019.
5. We conducted our examination in accordance with the Guidance Note on Corporate Governance Certificate issued by the Institute of Company Secretaries of India (ICSI).

Opinion

6. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
7. We 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.

Restriction on use

8. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Anand Nimesh & Associates
Company Secretaries

Anand Kumar Singh
(Partner)
M. No.24881
COP No: 9404

Date: August 14, 2019
Place: New Delhi

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

SRU Steels Limited

A-48, 1st Floor, Wazirpur Industrial Area

New Delhi-110052

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SRU Steels Limited**, having **CIN L17300DL1995PLC107286** and having registered office at A-48, 1st Floor, Wazirpur Industrial Area, New Delhi-110052 (hereinafter referred to as 'the Company'), and as produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 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.

S. No	Name of Director	DIN No	Date of Appointment in Company
1.	Mr. Prem Prakash Agarwal	00081871	01/01/2007
2.	Mr. Rajiv Ramchandra Mittal	00082115	30/06/2001
3.	Mrs. Richa Agarwal	00082722	23/06/2014
4.	Mr. Ramesh Roshanlal Agarwal	00151223	01/04/2003
5.	Mr. Naresh Kumar Garg	00986846	03/10/2006
6.	Mr. Pankaj Jain	01234804	01/01/2007
7.	Mr. Ashok Kumar Mahawar	02600539	01/05/2009

For Anand Nimesh & Associates
Company Secretaries

Anand Kumar Singh

(Partner)

M. No. -24881

COP No.: 9404

Date: August 14, 2019

Place: New Delhi

COMPLIANCE CERTIFICATE TO THE BOARD PURSUANT TO REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
Board of Directors
SRU STEELS LIMITED

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of **SRU Steels Limited** (the company), hereby certify for the financial year ended 31st March, 2019 that :

- (a) We have reviewed the IND-AS financial statements and the cash flow statement for the year ended 31st March, 2019 and that to the best of our knowledge and belief
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, no transactions are into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
- (i) Significant changes in internal control over financial reporting during the year;
- (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (iii) That no instances of significant fraud have come to our notice.

By the order of the Board
For SRU Steels Limited

By the order of the Board
For SRU Steels Limited

Date : August 14, 2019
Place : New Delhi

Sd/-
Ramesh Agarwal
Managing Director

Sd/-
Hitesh Laxmikant Somani
Chief Financial Officer

DECLARATION BY MANAGING DIRECTOR UNDER PARA D OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, REGARDING THE COMPLIANCE WITH CODE OF CONDUCT

To
The Members of
SRU Steels Limited

I, Ramesh Agarwal, Managing Director of the Company, hereby certify that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with code of conduct adopted by the Company for the financial year ending 31st March, 2019 in terms of Regulation 34(3) of Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

By the order of the Board
For SRU STEELS LIMITED

Place: New Delhi
Date: August 14, 2019

Sd/-
Ramesh Agarwal
(Managing Director)
DIN: 00151223

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This Management Discussion & Analysis report presents the key performance highlights of the year 2018-19, pertaining to the Company's business. To avoid duplication between the Directors' Report and the Management Discussion and Analysis, we present below a composite summary of performance of the business and functions of the Company. The Company's financial statements have been prepared in accordance with Indian Accounting Standards (IndAS), complying with the requirements of the Company's Act, 2013 and the guidelines issued by Securities and Exchange Board of India (SEBI).

CAUTIONARY STATEMENT

Statements made in this report describing the Company's objectives, projections, estimates and expectations are "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates; changes in the Government regulations; tax laws and other statutes and incidental factors.

STEEL INDUSTRY IN INDIA

India was the world's second-largest steel producer with production standing at 106.5 MT in 2018. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

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

Indian steel industries are classified into three categories such as major producers, main producers and secondary producers.

Robust Demand

India's Finished Steel production is anticipated to increase to 230 MT by 2030-31 from 90.68 MT in 2017-18. Demand would be supported by growth in domestic market.

Increasing Investments

The industry is witnessing consolidation of players which had led to an investments by entities from other sectors. The ongoing consolidations also present an opportunity to global players to enter the Indian market.

Policy Support

National steel policy (NSP) 2017 implemented to encourage the industry to reach the global benchmarks.

Competitive Advantage

Easy availability of low-cost manpower and presence of abundant iron ore reserves make India competitive in the global set up.

MARKET SIZE

India's finished steel consumption grew at a CAGR of 5.69 per cent during FY 2008-2018 to reach 90.68 MT.

In 2017-18, the country's finished steel exports increased 17 per cent year-on-year to 9.62 million tonnes (MT), as compared to 8.24 MT in 2016-17. Exports and imports of finished steel stood at 5.77 MT and 7.13 MT, during April 2018-February 2019

INVESTMENTS

Steel industry and its associated mining and metallurgy sectors have seen a number of major investments and developments in the recent past.

According to the data released by Department for Promotion of Industry and Internal Trade (DPIIT), the Indian metallurgical industries attracted Foreign Direct Investments (FDI) to the tune of US\$ 11.18 billion in the period April 2000–December 2018.

Some of the major investments in the Indian steel industry are as follows:

- JSW Steel will be looking to further enhance the capacity of its Vijayanagar plant from 13 MTPA to 18 MTPA. In June 2018, the company had announced plans to expand the plant's production capacity to 13 MTPA by 2020 with an investment of Rs 7,500 crore (US\$ 1.12 billion).
- Vedanta Star Ltd has outbid other companies to acquire Electrosteel Steels for US\$ 825.45 million.
- Tata Steel won the bid to acquire Bhushan Steel by offering a consideration of US\$ 5,461.60 million.
- JSW Steel has planned a US\$ 4.14 billion capital expenditure programme to increase its overall steel output capacity from 18 million tonnes to 23 million tonnes by 2020.
- In March 2019, ArcelorMittal was declared as the winning bidder to acquire Essar Steel for a consideration of Rs 42,000 crore (US\$ 5.82 billion).
- Tata Steel has decided to increase the capacity of its Kalinganagar integrated steel plant from 3 million tonnes to 8 million tonnes at an investment of US\$ 3.64 billion.

OUTLOOK

The National Steel Policy, 2017, has envisaged 300 million tonnes of production capacity by 2030-31. In 2018, steel consumption of the country is expected to grow 5.7 per cent year-on-year to 92.1 MT*. Further, India is expected to surpass USA to become the world's second largest steel consumer in 2019.

Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors

SRU STEELS OPERATIONS

The Company operates in the single business segment of trading in various types of Iron & Steel. At present, the Company is trading in various types of steel products as well as sale of products on Commission basis. This sector of steel is witnessing intense competition from numerous players in the country.

During the financial year 2018-19, the SRU Steels Ltd reported Rs 41.80 Lakh profit before tax as against a profit Rs.85.96 Lakh in financial year 2017-18.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Abridged Statement of Profit and Loss

(Amount in Lakhs)

Particulars	2018-19	2017-18	Growth %
Revenue from Operations	3332.39	2136.34	55.99
Other Income	29.33	39.07	(24.93)
Total Revenue	3361.73	2175.41	54.53
Expenses			
Employees benefits expenses	24.62	24.44	0.74
Finance Cost	0.21	0.26	(19.23)
Depreciation and Amortisation	2.76	2.82	(2.13)
Other Expenses	120.96	79.98	51.24
Total Expenses	3319.94	2089.46	58.89
PBT	41.79	85.96	(51.38)
Tax Expenses	12.13	22.19	(45.34)
Profit after tax	29.65	63.76	(53.50)
Earning per Equity Share			
Basic	0.37	0.80	-
Diluted	0.37	0.80	-

OPPORTUNITIES AND THREATS

The New Industrial Policy Regime

The New Industrial policy opened up the Indian iron and steel industry for private investment by:-

- removing it from the list of industries reserved for public sector, and
- exempting it from compulsory licensing.

The Growth Profile

(i) **Steel** : The liberalization of industrial policy and other initiatives taken by the Government have given a definite impetus for entry, participation and growth of the private sector in the steel industry. While the existing units are being modernized/expanded, a large number of new steel plants have also come up in different parts of the country based on modern, cost effective, state-of-the-art technologies. In the last few years, the rapid and stable growth of the demand side has also prompted domestic entrepreneurs to set up fresh greenfield projects in different states of the country.

Crude steel capacity was 137.97 mt in 2017-18, up by 7.6% over 2016-17 and India, which emerged as the 2nd largest producer of crude steel in the world in 2018, as per data released by the World Steel Association, has to its credit, the capability to produce a variety of grades and that too, of international quality standards.

(ii) **Pig Iron**: India is also an important producer of pig iron. Post-liberalization, with setting up several units in the private sector, not only imports have drastically reduced but also India has turned out to be a net exporter of pig iron. The private sector accounted for 90% of total production of pig iron (6.055 mt) in the country in 2018-19.

(iii) **Sponge Iron**: India, world's largest producer of sponge iron (2018), has a host of coal based units located in the mineral-rich states of the country. Over the years, the coal based route has emerged as a key contributor and accounted for 79% of total Sponge Iron production in the country. Capacity in Sponge Iron making too has increased over the years and stood at 49.6 mt (2017-18).

GOVERNMENT INITIATIVES

Some of the other recent government initiatives in this sector are as follows:

- An export duty of 30 per cent has been levied on iron ore (lumps and fines) to ensure supply to domestic steel industry.
- Government of India's focus on infrastructure and restarting road projects is aiding the boost in demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel.
- The Union Cabinet, Government of India has approved the National Steel Policy (NSP) 2017, as it seeks to create a globally competitive steel industry in India. NSP 2017 envisages 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030-31.
- The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs 200 crore (US\$ 30 million).
- The Government of India raised import duty on most steel items twice, each time by 2.5 per cent and imposed measures including anti-dumping and safeguard duties on iron and steel items.

Goods and Services Tax (GST)

The announcement of a Goods and Service Tax (GST) also had a positive impact on the Indian economy. The policy has been rolled out on 1st July, 2017 with a view to reinforce the indirect taxation system, increase transparency and consolidation of disintegrated Indian market.

SEGMENT WISE PERFORMANCE

The Company being engaged in the sale of steel coils, Sheets and other type of steels, there is only one business segment and single segment of activity. Further, the Company is mainly operative in the cities of Haryana and Ahmedabad and does not operate at any other place and therefore all the revenue and income has been generated from these geographic area only.

RISKS AND CONCERNS

In any business, risks and prospects are inseparable. As a responsible management, the Company's principal endeavour is to maximize returns. The Company continues to take all steps necessary to minimise its expenses through detailed studies and interaction with experts.

INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

The Company has an adequate system of internal control relating to efficiency of operations, financial reporting and controls, compliance with applicable laws and regulations, etc. The Internal Audit Department monitors and evaluates the efficacy and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all the Company's locations. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Clearly defined roles and responsibilities for all managerial positions have also been institutionalized. All operating parameters are monitored and controlled and regular

internal audits and checks ensure that responsibilities are executed effectively.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING THE NUMBER OF PEOPLE EMPLOYED.

The Company has employees and the cordial relations were maintained with all of them throughout the year. The Board of the Company wishes to place on record its appreciation to all the employees for their sustained efforts in improving the capacity utilization and operational efficiency. The Company has initiated many steps in career and personality development of the employees belonging to different departments. The employees attended seminars and other training programs to enhance their skills and knowledge.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATION THEREOF

i. Debtor Turnover Ratio

Debtor Turnover Ratio stood at 3.97 times in FY 2019 as against 2.91 times in FY 2018, Increase in Debtor Turnover ratio is due to reduce of debtor collection period in current year in comparison to previous year as a result of which company is maintaining lower amount of debtor and on the other side company's turnover for current financial year increased by 55.99%.

ii. Inventory Turnover Ratio

Inventory Turnover Ratio stood at 350.45 times in FY 2019 as against 219.01 times in FY 2018, Increase in Inventory turnover Ratio is due to company turnover in current year is increased by 55.99% whereas company is maintaining same level of Average Inventory.

iii. Debt Equity Ratio

Since the company is not having any debts, Debt Equity Ratio is nil for the Company

iv. Interest Coverage Ratio

Since the company is not having any debts, interest payable is not applicable on the company hence Interest Coverage Ratio is nil for the Company.

BALANCE SHEET

Current assets

Current Assets Ratio increased to 8.01 times in FY 2019 versus 3.12 times in FY 2018 mainly because of reduction in Trade payable in current financial year as our company has reduced credit payback period in current FY 2019.

Operating Profit Margin

Operating Profit Margin stood at 1.24% in FY 2019 as against 3.94% in FY 2018, Reduction in profit margin is due to high competition and slow market growth in steel industry

Net Profit Margin Ratio

Net Profit Margin stood at 0.89% in FY 2019 as against 2.98% in FY 2018, Reduction in net profit margin are due to high Fluctuation in market price and market slow down in steel industry.

Return on Net Worth

Return on Net Worth had a sharp decline to 2.46% in FY 2019 against 5.43% for FY 2018. The impact is mainly on account of to high competition and slow market growth in steel industry.

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF STANDALONE IND AS FINANCIAL STATEMENTS

To the Members of **SRU Steels Limited**

Opinion

We have audited the accompanying standalone Ind AS financial statements of "**SRU Steels Limited**" ("the company") which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations give to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, 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 principal generally accepted in India, of the state of affairs of the company as at March 31, 2019, the profit and total comprehensive income, change in equity and its cash flows for the year ended on that date.

Basis for opinion

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

Key Audit Matters

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

Information other than the Standalone Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whenever the other information is

materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act' 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, cash flows and changes in equity of the Company in accordance with Ind AS and other accounting principles generally accepted in India. 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 estimate that are reasonable and prudent, and design implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

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

The board of directors are responsible for overseeing the Company's financial process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms Section 143(11) of the Companies Act, 2013, we give

in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, Statement of Profit and Loss (including other comprehensive income), the statement of change in equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the IndAS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken by Board of Directors, none of the director is disqualified as on March 31, 2019 from being appointed as directors in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B". Our report express an unmodified opinion on the adequacy and operative effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 does not have any pending litigations which would impact its standalone financial position.
 - 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.

**For MRKS And Associates
Chartered Accountants
FRN: 023711n**

**Kamal Ahuja
(Partner)
M. No.:505788**

**Date: May30, 2019
Place: New Delhi**

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of SRU Steels Limited of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were 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 or Immovable properties are held in the name of the company.
- (ii) The Inventory has been physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such verification.
- (iii) The Company has granted loans to companies, covered in the register maintained under section 189 of the Act
- (a) Terms and conditions of the grant of such loan are not prejudicial to the other Company's interest.
- (b) The schedule of payment of principal and payment of interest has been stipulated and the repayments and receipt are regular
- (c) No overdue amounts are pending for more than 90 days in relation to such loan.
- (iv) The Company has been complied all the provisions of Section 185 and 186 in respect of loans, investments, guarantees, and security.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of directives issues by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Therefore, the provision of clause 3(v) of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for the products of the Company. Therefore, in our opinion, the provisions of clause 3(vi) of the order are not applicable to the company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, duty of Customs, duty of Excise, value added tax and cess and any other statutory dues to appropriate authority have generally been regularly deposited during the year by the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employee's State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess and other statutory dues were in arrears, as at March 31, 2019 for a period of more than six months from the date they became payable.
- (b) The disputed statutory dues aggregating to ₹4.22 lacs that have not been deposited on account of disputed matters pending before appropriate authorities as under:-
- | S.N. | Name of the Statute | Nature of dues | (₹) in lacs | Period which amount relates | Forum where dispute is pending |
|------|----------------------|--------------------|-------------|-----------------------------|--------------------------------|
| 1 | Income Tax Act, 1961 | Income tax penalty | 4.22 | 1998-99 | Punjab & Haryana High Court |
- (viii) The Company has no dues in respect of a financial institution, bank, Government or debenture holders.
- (ix) The Company has not raised any money by way of Initial Public Offer or further public offer (including debt instruments) and term loans.
- (x) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year nor have been informed of such instances by the management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration. In accordance with the requisite approvals maintained by the provisions of section 197 read with Schedule V to the Act.
- (xii) The company is not a Nidhi company, therefore the provisions of paragraph 3(xii) of the order is not applicable.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the Company, transaction with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by applicable accounting standards.
- (xiv) Company has not made any preferential allotment or private placement of Shares or fully or partly convertible debentures and hence reporting under clause (xiv) of order is not applicable to the Company.
- (xv) Company has not entered into any non-cash transaction with directors or person connected with him and therefore the provisions of section 192 of the Companies Act' 2013 has been complied with.
- (xvi) Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For MRKS And Associates
Chartered Accountants
FRN: 023711n

Kamal Ahuja
(Partner)
M. No.: 505788

Date: May30, 2019
Place: New Delhi

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on other Legal and regulatory requirements' section of our report to the members of SRU Steels Limited of even date)

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

We have audited the internal financial controls over financial reporting of **SRU Steels Limited**, ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Financial Statements and such internal financial controls with reference to financial reporting were operating effectively as at 31 March 2019, based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MRKS And Associates
Chartered Accountants
FRN: 023711n

Kamal Ahuja
(Partner)
M. No.: 505788

Date: May 30, 2019
Place: New Delhi

BALANCE SHEET AS AT 31ST MARCH, 2019

(Amount in ₹)

PARTICULARS	NOTE No.	March 31, 2019 Rs.	March 31, 2018 Rs.
ASSETS			
Non-current assets			
Property, plant and equipment	4	4,079,588	756,908
Financial assets			
Loans	5	20,000	20,000
Other financial assets	6	4,459,265	4,469,729
Deferred tax assets	7	204,705	242,166
Other non-current assets	8	500,000	1,000,000
Total of non Current Assets		9,263,558	6,488,803
Current assets			
Inventory	9	-	10,429,234
Financial assets			
Loans	5	67,780,849	35,000
Trade receivables	10	44,473,510	123,230,391
Cash and cash equivalents	11	5,755,813	6,493,592
Other financial assets	12	999,000	999,000
Current tax assets	13	1,366,068	982,577
Other current assets	14	6,633,292	21,184,619
Total of Current Assets		127,008,532	163,354,413
TOTAL ASSETS		136,272,090	169,843,216
Equity			
Share capital	15	79,919,000	79,919,000
Other equity		40,487,953	37,522,142
Total equity		120,406,953	117,441,142
Current liabilities			
Financial liabilities			
Trade payables	16	12,837,510	49,300,138
Other financial liabilities	17	-	705,354
Other current liability	18	1,975,659	209,756
Current tax liability (net)	19	1,051,969	2,186,826
Total liabilities		15,865,138	52,402,074
TOTAL EQUITY AND LIABILITIES		136,272,090	169,843,216
Significant accounting policies	1-3		
Notes to accounts	4-40		

The accompanying Notes referred to above form an integral part of the Financial Statements.

AS PER OUR REPORT OF EVEN DATE

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

MRK And Associates
Chartered Accountants
Firm Reg. No.: 023711N

Sd/-
Naresh Kumar Garg
(Chairman)
DIN: 00986846

Sd/-
Ramesh Agarwal
(Managing Director)
DIN: 00151223

Sd/-
Kamal Ahuja
(Partner)
Membership No. 505788

Sd/-
Hitesh Laxmikant Somani
Chief Financial Officer
PAN: AOWPS2590B

Sd/-
Diksha Gandhi
Company Secretary
Membership No.: 50673

PLACE : NEW DELHI
DATED : 30/05/2019

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

(Amount in ₹)

PARTICULARS	NOTES	Year ended March 31, 2019 Rs.	Year ended March, 31, 2018 Rs.
Income			
Revenue from operations	20	333,239,913	213,634,279
Other Income	21	2,933,822	3,907,482
Total Revenue		336,173,735	217,541,762
Expenses:			
Purchase	22	315,328,546	200,007,522
Change in inventory	23	1,809,911	(1,809,911)
Employee benefits expenses	24	2,462,175	2,443,510
Finance Cost	25	21,062	25,532
Depreciation and amortisation	26	276,343	281,777
Other Expenses	27	12,096,046	7,997,787
Total Expenses		331,994,084	208,946,218
Profit before tax		4,179,652	8,595,544
Less: Tax expenses			
Current tax		1,051,969	2,186,826
Earlier Period Tax Expenses		124,411	
Deferred tax		37,461	32,383
Profit for the year		2,965,811	6,376,335
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Income tax benefits		-	-
	(a)	-	-
Items that will be reclassified to profit or loss		-	-
Income tax benefit		-	-
	(b)	-	-
Total Comprehensive income for the year, net of tax (a+b)		2,965,811	6,376,335
Earning per equity shares	30		
Basic		0.37	0.80
Diluted		0.37	0.80
Significant Accounting Policies & Notes on Accounts	1 - 3 4 - 40		

The accompanying Notes referred to above form an integral part of the Financial Statements.

AS PER OUR REPORT OF EVEN DATE

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

MRK And Associates
Chartered Accountants
Firm Reg. No.: 023711N

Sd/-
Naresh Kumar Garg
(Chairman)
DIN: 00986846

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(Partner)
Membership No. 505788

Sd/-
Hitesh Laxmikant Somani
Chief Financial Officer
PAN: AOWPS2590B

Sd/-
Diksha Gandhi
Company Secretary
Membership No.: 50673

PLACE : NEW DELHI
DATED : 30/05/2019

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in ₹)

Particulars	For the Year Ended 31st March, 2019		For the Year Ended 31st March, 2018	
A. Cash Flow from Operating Activities				
a) Net Profit before tax and extraordinary Items	4,179,652		8,595,544	
Depreciation	276,343		281,777	
Preliminary expenses amortised	500,000		500,000	
Previous Year Tax Adjustment	-		17,967	
Amount written off	-		250,000	
Interest Income	(2,933,822)		(3,739,536)	
Interest expenses	10,464		22,747	
Less: Profit on sale of Fixed Assets	-		(142,068)	
b) Operating profit before working capital Changes	2,032,637		5,786,431	
Adjustment for:				
(Increase)/Decrease in Trade Receivable	78,756,881		(99,385,509)	
(Increase)/Decrease in Loan and Advance	(67,745,849)		45,460,946	
(Increase)/Decrease in other financial assets	-		4,340,862	
(Increase)/Decrease in Other Current Assets	14,551,327		58,537,746	
(Increase)/Decrease in inventories	10,429,234		(10,429,234)	
Increase/(Decrease) in Trade Payable	(36,462,628)		13,322,303	
Increase/(Decrease) in Other Current Liabilities	1,765,903		(6,503,552)	
Increase/(Decrease) in Other Financial liability	(705,354)		183,357	
(Increase)/Decrease in Non-Current Assets	(0)		4,500	
c) Cash generated from operations	2,622,150		11,317,850	
Less-Income tax paid	2,694,728		1,535,889	
Net cash from operating activities		(72,578)		9,781,961
B Cash Flow from Investing Activities				
Purchase of fixed assets (Net)	(3,599,024)		(139,954)	
Sale of fixed assets(Net)	-		183,868	
Interest Income	2,933,822		3,739,536	
Net cash from Investing Activities		(665,202)		3,783,450
C Net Increase/(decrease) in Cash and Cash equivalent		(737,780)		13,565,411
Cash & Cash equivalent at beginning of the year		6,493,592		(7,071,819)
Cash & Cash equivalent at end of the year		5,755,813		6,493,592
(Cash and cash equivalent represents cash and bank balance)				

The accompanying notes form an integral part of the audited financial statements.
As per our report of even date.

AS PER OUR REPORT OF EVEN DATE

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

MRK And Associates
Chartered Accountants
Firm Reg. No.: 023711N

Sd/-
Naresh Kumar Garg
(Chairman)
DIN: 00986846

Sd/-
Ramesh Agarwal
(Managing Director)
DIN: 00151223

Sd/-
Kamal Ahuja
(Partner)
Membership No. 505788

Sd/-
Hitesh Laxmikant Somani
Chief Financial Officer
PAN: AOWPS2590B

Sd/-
Diksha Gandhi
Company Secretary
Membership No.: 50673

PLACE : NEW DELHI
DATED : 30/05/2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

A. Equity Share Capital

	Number of shares	Rs.
Balance as at April 1, 2017	7,991,900	79,919,000
Changes in equity share capital during the year	-	-
Balance as at March 31, 2018	7,991,900	79,919,000
Changes in equity share capital during the year	-	-
Balance as at March 31, 2019	7,991,900	79,919,000

B. Other Equity

	Reserve and surplus			
	Capital reserve Rs.	Security premium Rs.	General reserve Rs.	Total Rs.
Balance as at April 1, 2017	6,155,500	12,405,000	12,817,340	31,377,840
Adjustment for provision for tax last year	-	-	17,967	17,967
Amount Written off	-	-	250,000	250,000
Profit for the year	-	-	6,376,335	6,376,335
Balance as at March 31, 2018	6,155,500	12,405,000	18,961,642	37,522,142
Adjustment for provision for tax last year	-	-	-	-
Amount Writtern off	-	-	-	-
Profit for the year	-	-	2,965,811	2,965,811
Balance as at March 31, 2019	6,155,500	12,405,000	21,927,453	40,487,953

AS PER OUR REPORT OF EVEN DATE

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

MRK And Associates
Chartered Accountants
Firm Reg. No.: 023711N

Sd/-
Naresh Kumar Garg
(Chairman)
DIN: 00986846

Sd/-
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DIN: 00151223

Sd/-
Kamal Ahuja
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Membership No. 505788

Sd/-
Hitesh Laxmikant Somani
Chief Financial Officer
PAN: AOWPS2590B

Sd/-
Diksha Gandhi
Company Secretary
Membership No.: 50673

PLACE : NEW DELHI
DATED : 30/05/2019

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**1 CORPORATE INFORMATION**

SRU Steels Limited was incorporated on 11th, Sep, 1995 as Limited Company under the provisions of Companies Act, 1956, vide Company Identification Number L17300DL1995PLC107286. The equity shares of the Company are listed on Bombay Stock Exchange. The Registered Office of the Company is situated at Delhi. The main objective of the Company's trading of stainless steels.

The financial statements for the year ended March 31, 2019 were approved by the Board of Directors and authorized for issue on May 30, 2019.

2 BASIS OF PREPARATION AND PRESENTATION**2.1 STATEMENT OF COMPLIANCE**

The financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are Company's second Ind AS financial statements. The date of transition to IND AS is April 1, 2016. Refer Note 3.17 for the details of first-time adoption exemptions availed by the Company.

2.2 ACCOUNTING CONVENTIONS

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.3 OPERATING CYCLE

Based on the nature of products/ activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3 Significant Accounting Policies:**3.1 USE OF ESTIMATES**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes 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.

3.2 PROPERTY PLANT & EQUIPMENT

- a) Property, plant and equipment are stated at cost net of taxes less accumulated depreciation and/or impairment loss; if any. All costs such as freight, non-recoverable duties & taxes and other incidental expenses until the property, plant and equipment are ready for use, as intended by the management and borrowing cost attributable to the qualifying property, plant and equipments are capitalized. Assets costing less than Rs.5,000/- are fully depreciated in the year of purchase in merging unit.
- b) Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.
- c) Capital work in progress represents expenditure incurred in respect of capital projects which are carried at cost. Cost includes land, related acquisition expenses, development and construction costs, borrowing costs and other direct expenditure.
- d) The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell.
- e) Depreciation on property, plant and equipment is charged in accordance with estimate of useful life of the assets on written down value method, at rates specified in Schedule II to the Companies Act, 2013.
- f) In respect of assets added/disposed off during the year, depreciation is charged on pro-rata basis with reference to the month of addition/disposal.
- g) Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

3.3 FINANCIAL INSTRUMENTS**Initial recognition**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables

which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

Financial assets carried at amortised cost

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

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with Ind AS 109 "Financial Instruments" issued by the Ministry of Corporate Affairs, Government of India. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

3.4 IMPAIRMENT

Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Non-financial assets

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss, if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

3.5 PROVISIONS

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

"Contingent liabilities are not recognized but are disclosed by way of notes to the financial statements, after careful evaluation by the management of the facts and legal aspects of each matter involved. Contingent assets are neither recognized nor disclosed in the financial statements.

Contingent liabilities are assessed continually to determine whether an outflow of resources embodying the economic benefit has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as contingent liability, a provision is recognized in the financial statements of the period in which the change in probability occurs."

3.6 BORROWING COST

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent they relate to the period till such assets are ready to be put to use, while other borrowing costs are recognized as expenses in the year in which they are incurred. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

3.7 INVENTORIES

Inventories other than scrap and goods in transit have been valued at lower of cost and net realisable value. The cost is ascertained as below:-

- i) Finished goods are valued at lower of cost or net realizable value on first in first out (FIFO) basis.
- ii) Scrap is valued at the net realisable value.

Where, net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

3.8 EMPLOYEE BENEFITS

(i). *Short-term employee benefits*

The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by employees is recognised during the period when the employee renders the services. These benefits include salaries, bonus and performance incentives.

3.9 FOREIGN CURRENCY TRANSACTIONS

"In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency i.e. foreign currencies are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in the statement of profit or loss in the period in which they arise.

Foreign currency derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item."

3.10 TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

3.11 REVENUE RECOGNITION

- a) Sales are recognized on dispatch of goods except in the case of exports which are accounted for on the date of custom clearance; however, in some cases export is accounted on the terms of contract executed with respective customers.
- b) Interest income is recognized using effective interest method.
- c) Export benefits are recognized on accrual basis at the anticipated realisable value.

3.12 OPERATING SEGMENT

"Operating segments are reported in the manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Managing Director of SRU Steel Limited has been identified as CODM and he is responsible for allocating the resources, assess the financial performance and position of the Company and makes strategic decisions.

The Company has identified one reportable segment "Trading of stainless steels" based on the information reviewed by the CODM. Refer note 38 for the Segment information presented."

3.13 CASH FLOW STATEMENT

The Cash Flow Statement is prepared by the indirect method set out in Indian Accounting Standard-7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company. The Company considers all highly liquid financial instruments, which are readily convertible into cash, to be cash equivalents.

3.14 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

3.15 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

3.16 FINANCIAL ASSETS

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.17 RECENT ACCOUNTING PRONOUNCEMENTS

Ind AS 115- Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach). The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. Company does not have any contract revenue, so provision of IND AS not applicable.

Note 5 Loans

Particulars		March 31, 2019	March 31, 2018
Non-current			
Unsecured, considered good Loans			
Others		20,000	20,000
	(a)	20,000	20,000
Current			
Unsecured, considered good Loans			
Others		67,780,849	35,000
	(b)	67,780,849	35,000
	(a+b)	67,780,849	55,000

Note 6 Other financial asset

Particulars		March 31, 2019	March 31, 2018
Non-current			
Unsecured, considered good Security deposit*		3,833,729	3,616,725
Deferred security		625,536	853,004
		4,459,265	4,469,729

*Security deposits are carried at amortised cost in Ind-AS compared to being carried at cost under IGAAP.

Note 7 Deferred tax assets

Particulars		March 31, 2019	March 31, 2018
Deferred tax assets on			
Property, plant and equipments & intangible assets		172,838	210,299
Accrued expenses deductible on payment		31,867	31,867
Deferred tax assets(net)		204,705	242,166

Movement of Deferred tax (assets)/ liabilities

	Opening Balance	For the year ended March 31, 2019		
		Recognised in the Statement of Profit and Loss	Recognised in OCI	Closing Balance
Deferred tax assets on				
Property, plant and equipments & intangible assets	210,299	37,461	-	172,838
Accrued expenses deductible on payment	31,867	-	-	31,867
Deferred tax assets(net)	242,166	37,461	-	204,705

	Opening Balance	For the year ended March 31, 2018		
		Recognised in the Statement of Profit and Loss	Recognised in OCI	Closing Balance
Deferred tax assets on				
Property, plant and equipments & intangible assets	242,682	(32,383)	-	210,299
Accrued expenses deductible on payment	31,867	-	-	31,867
Deferred tax assets(net)	274,549	(32,383)	-	242,166

Note 8 Other non-current assets

Particulars	March 31, 2019	March 31, 2018
Miscellaneous expenditure (to the extent not written off or adjusted)		
Opening balance	1,000,000	1,500,000
Add:- Addition during the year	-	-
	1,000,000	1,500,000
Less: Written off during the year	(500,000)	(500,000)
	500,000	1,000,000

Note 9 Inventories

Particulars	March 31, 2019	March 31, 2018
Raw materials		
Traded goods and Stock In Transit	-	10,429,234
	-	10,429,234

Note 10 Trade receivables

Particulars	March 31, 2019	March 31, 2018
Unsecured, considered good	44,473,510	123,230,391
	44,473,510	123,230,391
Age of receivables		
Within the credit period		126,230,391
More than 6 months past due	5,500,000	5,500,000
	5,500,000	131,606,171

In the opinion of the Board, trade receivables, if realised, have a value on realisation in the ordinary course of business atleast equal to the amount at which they are stated

Note 11 Cash and cash equivalents

Particulars	March 31, 2019	March 31, 2018
Cash in hand	2,137,540	1,464,876
Balance with Banks		
On current accounts	3,618,276	5,028,716
	5,755,816	6,493,592

Note 12 Other financial assets

Particulars	March 31, 2019	March 31, 2018
Unsecured, considered good		
Interst receivable	999,000	999,000
Commission receivable	-	-
	999,000	999,000

Note 13 Current tax asset

Particulars	March 31, 2019	March 31, 2018
TDS	1,366,068	982,577
	1,366,068	982,577

Note 14 Other current assets

Particulars	March 31, 2019	March 31, 2018
Unsecured, considered good		
Advances to suppliers	-	14,312,798
Input receivable from Government authorities	6,108,985	6,848,550
Prepaid expenses	32,282	5,100
Others	492,025	18,171
	6,633,292	21,184,619

Note 15 Share Capital

Particulars	March 31, 2019	March 31, 2018
Authorised		
95,00,000 (95,00,000) equity shares of Rs. 10 (Rs. 10) each	95,000,000	95,000,000
Issued, subscribed and paid up capital		
79,91,900 (79,91,900) equity shares of Rs. 10 (Rs. 10) each fully paid up	79,919,000	79,919,000

Notes:

- a) Right, preference and restrictions attached to shares;
The Company has equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. 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, the holders of equity shares will be entitled to receive any of the 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.
- b) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2019		As at March, 31, 2018	
	Nos.	Amount in `	Nos.	Amount in `
Number of shares at the beginning	7,991,900	79,919,000	7,991,900	79,919,000
Issued during the year	-	-	-	-
Number of shares at the end	7,991,900	79,919,000	7,991,900	79,919,000

- c) Particulars of shareholders holding more than 5% of equity shares as on March 31, 2019 and March 31, 2018 is as follows:

Name of shareholder	As at March 31, 2019		As at March, 31, 2018	
	% Holding	Share	% Holding	Shares
M.M. Fiscal Services Pvt Ltd	19.36	1,547,000	19.36	1,547,000
Uma Agarwal	6.49	518,600	6.49	518,600
Satish Agarwal	10.91	872,000	10.91	872,000
Satish Agarwal HUF	10.29	822,500	10.29	822,500
R.L Agarwal & Sons Securities Pvt Ltd.	12.22	976,500	12.22	976,500

Note 16 Trade Payables

Particulars	March 31, 2019	March 31, 2018
Dues of micro, small and medium enterprises	-	-
Dues to other than micro, small and medium enterprises	12,837,510	49,300,138
	12,837,510	49,300,138

Note: The Company has not received any information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure if any relating to the amount unpaid at the end of the year together with interest paid/payable as required under the Act have not been furnished.

Note 17 Other financial liabilities

Particulars	March 31, 2019	March 31, 2018
Expenses payable	-	705,354
Bank overdraft	-	-
	-	705,354

Note 18 Other current liabilities

Particulars	March 31, 2019	March 31, 2018
Statutory dues	696,343	209,756
Other current liabilities	1,279,315	-
Advances from customers	-	-
	1,975,658	209,756

Note 19 Current tax liabilities

Particulars	March 31, 2019	March 31, 2018
Income tax	1,051,969	2,186,826
	1,051,969	2,186,826

Note 20 Revenue from operations

Particulars	March 31, 2019	March 31, 2018
Sale of products		
Steel	324,634,946	201,152,394
Other operating revenue		
Commission on consignment sales	-	258,146
Commission on direct sales	8,604,968	12,223,739
	333,239,913	213,634,279

Note 21 Other Income

Particulars	March 31, 2019	March 31, 2018
Interest receipts on Loan and Advances	2,933,822	3,379,536
Profit on sale of vehicle	-	142,068
Amounts written back	-	25,878
	2,933,822	3,907,482

Note 22 Purchase of material

Particulars	March 31, 2019	March 31, 2018
Purchase of raw material	315,328,546	200,007,522
	315,328,546	200,007,522

Note 23 Change of inventory

Particulars	March 31, 2019	March 31,2018
Opening stock of raw materials traded	1,809,911	-
Closing stock of raw materials traded	-	1,809,911
	1,809,911	(1,809,911)

Note 24 Employees benefit expenses

Particulars	March 31, 2019	March 31,2018
Salary and wages	2,386,000	2,303,640
Bonus	30,000	30,000
Staff welfare	46,175	119,870
	2,462,175	2,443,510

Note 25 Financial cost

Particulars	March 31, 2019	March 31,2018
Bank charges	10,598	2,785
Unwinding of discount on security deposit	10,464	22,747
	21,062	25,532

Note 26 Depreciation and amortisation

Particulars	March 31, 2019	March 31,2018
Depreciation and amortisation expenses	276,343	281,777
	276,343	281,777

Note 27 Other expenses

Particulars	March 31, 2019	March 31,2018
Freight Paid	58,977	1,801,490
Rent	1,800,000	1,800,000
Travelling		
Domestic	407,913	312,570
Foreign	720,249	235,200
Conveyance	76,635	167,642
General expenses	580,534	325,409
Legal and professional	405,346	496,897
Office expenses	333,637	281,807
Listing fees	266,000	270,000
Vehicle running	497,266	354,848
Electricity charges	485,097	137,123
Printing & Stationery	65,479	125,262
Postage & Stamps	63,986	55,033
Telephone	97,407	109,130
Auditor's Remuneration		
- As audit fees	150,000	135,000
- Taxation and certification	-	15,000
Municipal taxes	82,361	110,466
Insurance charges	57,512	63,433
Misc expenses	-	318,524
Misc exp Amortised	500,000	500,000
Meeting expense	-	21,750
Repair & maintainance	1,565,488	361,203
Others Expenses	3,882,159	-
	12,096,046	7,997,787

Note 28 Contingent Liabilities

Particulars	March 31, 2019	March 31, 2018
(to the extent not provided for)		
a) Claims against the Company not acknowledged as debts	-	-
b) Income tax demands disputed in appellate proceedings	422,000	422,000

In the opinion of the Management, no provision is required in respect of disputes mentioned above on the ground that there are reasonable chances of successful outcome of appeal.

Note 29 Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net off advances)

Note 30 Earnings Per Share (EPS)

EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average of the number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

Particulars	March 31, 2019	March 31, 2018
i) Net profit available for equity shareholders	2,965,811	6,376,335
ii) Weighted average number of equity shares outstanding for calculation of		
- Basic EPS	7,991,900	7,991,900
- Diluted EPS	7,991,900	7,991,900
iii) Nominal value of per equity share (Rs.)	10	10
iv) Earning per share (i)/(ii)		
- Basic EPS (Rs.)	0.37	0.80
- Diluted EPS (Rs.)	0.37	0.80

Note 31 In the opinion of the Board, all assets other than fixed assets and non current investments, have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

Note 32 Balances grouped under trade receivables, trade payables and loans and advances recoverable in cash or in kind are subject to confirmation from subjective parties.

Note 33 Managerial Remuneration

	March 31, 2019	March 31, 2018
For Director Remuneration	900,000	900,000
	900,000	900,000

Note 34 Operating Segment

An operating segment is one whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance. The Company has identified the chief operating decision maker as its Managing Director. The Chief Operating Decision Maker reviews performance of trading of steel business on an overall business.

As the Company has a single reportable segment, the segment wise disclosure requirements of Ind AS 108 on 'Operating Segment' is not applicable. In compliance to the said standard, entity-wise disclosures are as under:

a) Revenues from external customers attributed to the country of domicile and attributed to all foreign countries from which the company derives revenues

Particulars	March 31, 2019	March 31, 2018
Revenue from the Country of domicile; India	336,173,735	217,541,762
Revenue from foreign countries	-	-
Total		

b) Details of non current asset

Particulars	March 31, 2019	March 31, 2018
Non-current asset from the Country of Domicile; India	9,263,558	6,488,803
Non-current asset from foreign countries	-	-
Total		

Note 35 Related Party Disclosures:

Pursuant to Ind AS-24 "Related Party Disclosures", following parties are to be treated as related parties:

a) Name of related parties and description of relationship

Key management personnel

Mr. Naresh Kumar Garg	Chairman
Mr. Ramesh Garg	Managing Director
Mr. Hitesh Laxmikant Somani	Chief Financial Officer
Ms. Diksha Gandhi	Company Secretary
Ms. Sushila Agarwal	Relative of key management

Enterprises over which Key Management Personnel exercise significant influence

Note: Related parties relationship is as identified by the Company and relied upon by the Auditors.

b) Transactions with related parties during the year (excluding reimbursements)

Nature of transaction	Related Party	March 31, 2019	March 31, 2018
Rent Paid	Director's Wife	1,800,000	1,800,000
Director Remuneration	Director	900,000	900,000
Salary	Diksha Gandhi	340,500	221,500
Salary	Hitesh Laxmikant Somani	255,000	120,000

c) Amount outstanding as at the end of the year

Account head	Related Party	March 31, 2018	March 31, 2017
Director Remuneration	Director	-	400,000.00
Other financial liability	Diksha Gandhi	27,500.00	25,000.00
Other financial liability	Hitesh Laxmikant Somani	-	-

Note 36 Financial Instruments**Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	March 31, 2019	March 31, 2018
Trade payables (Note 16)	13,845,890	49,300,138
Other payables (current and non-current)	832,278	915,110
Less: Cash and cash equivalents (Note 11)	5,755,813	(6,493,592)
Net debt	20,433,980	43,721,656

Equity share capital	79,919,000	79,919,000
Other equity	40,487,953	37,522,142
Total capital	120,406,953	117,441,142
Capital and net debts	140,840,932	161,162,798
Gearing ratio (Net debt/Capital and Net debt)	14.51%	27.13%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

Categories of financial instruments	March 31, 2019	March 31, 2018
Financial assets		
Financial assets at amortised cost		
Non-current		
Loans	20,000	20,000
Other financial assets	4,459,265	4,469,729
	4,479,265	4,489,729
Current		
Loans		
Trade receivables	44,473,510	123,230,391
Cash and cash equivalents	5,755,813	6,493,592
Other financial assets	999,000	999,000
	51,228,323	130,722,983
Financial liability		
Financial liability at amortised cost		
Trade payables	12,837,510	49,300,138
Other financial liabilities	-	705,354
	12,837,510	50,005,492

Fair value measurements

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3: Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Trade receivables, cash & cash equivalents, other bank balances, loans, other current financial assets, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to short-term maturities of these instruments.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

Note 37 Financial risk management objectives

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ realestate risk. Financial instruments affected by market risk include loans and borrowings.

b) 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) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

i) Trade receivables

Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.

Receivables resulting from other than sale of properties: Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively.

ii) Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2019 and 2018 is the carrying amounts.

c) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

Note 38 The Company's equity shares were listed on Delhi Stock Exchange Ltd. (primary stock exchange), Ahmedabad Stock Exchange Ltd. and Ludhiana Stock Exchange Ltd. The Securities Exchange Board of India (SEBI) had withdrawn recognition of Delhi Stock Exchange Ltd., Ahmedabad Stock Exchange Ltd. and Ludhiana Stock Exchange Ltd. The Company has made an application with Bombay Stock Exchange Ltd. and the shares were admitted for trading on Bombay Stock Exchange Limited on 2nd of Feb 2018.

Note 39 Figures have been rounded off to the nearest rupees.

Note 40 Figures in brackets pertain to previous year, unless otherwise indicated.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

MRK And Associates
Chartered Accountants
Firm Reg. No.: 023711N

Sd/-
Naresh Kumar Garg
(Chairman)
DIN: 00986846

Sd/-
Ramesh Agarwal
(Managing Director)
DIN: 00151223

Sd/-
Kamal Ahuja
(Partner)
Membership No. 505788

Sd/-
Hitesh Laxmikant Somani
(Chief Financial Officer)
PAN: AOWPS2590B

Sd/-
Diksha Gandhi
(Company Secretary)
Membership No.: 50673

PLACE : NEW DELHI
DATED : 30/05/2019



SRU STEELS LIMITED

CIN: L17300DL1995PLC107286

Registered & Corporate Office: A-48, 1st Floor, Wazirpur Industrial Area, Delhi-110052

E-mail: srusteels@yahoo.in, Website: www.srusteels.in

Tel: 011-27373622

**FORM NO. MGT-11
PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN:	L17300DL1995PLC107286
Name of the company	SRU Steels Limited
Registered Office:	A-48, 1st Floor, Wazirpur Industrial Area, Delhi-110052

Names of the Members(s):	
Registered Address:	
Email Id:	
Folio No. / Client Id:	
DP ID:	

I/We, being the holder(s) of _____ shares of the above named company, hereby appoint:

- Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or failing him
- Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or failing him
- Name: _____ Address: _____

E-mail Id: _____ Signature: _____ as my/our proxy

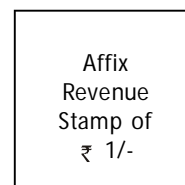
to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Fourth (24th) Annual General Meeting of the Company, to be held on Monday, September 30, 2019 at 10.00 a.m. at Ground Floor, Khasra No. 21/5, Nangli Poona, North West Delhi, Delhi-110036 and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Resolutions	Vote (optional, see the note)		
		For	Against	Abstain
Ordinary Business				
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019, including audited Balance Sheet as at March 31, 2019 and Statement of Profit and Loss for the year ended on that date together with reports of the Board of Directors and Auditors thereon.			
2.	To appoint a Director in place of Ms. Richa Agarwal (DIN: 00082722), who retires by rotation in terms of Section-152(6) of the Companies Act, 2013 at this Annual General Meeting, and being eligible, offers himself for re-appointment.			
3.	To appoint M/s Agarwal Mahesh Kumar & Co., Chartered Accountants, New Delhi (Firm Registration No. 014618N) as a Statutory Auditor of the Company and to fix their remuneration.			
Special Business				
4.	Re-appointment of Mr. Ashok Kumar Mahawar (DIN:02600539) as Independent Director to hold office for 5 Years From Sept. 28, 2019 to Sept 27, 2024			
5.	Re-appointment of Mr. Prem Prakash Agarwal (DIN: 00081871) as Independent Director to hold office for 5 Years From Sept. 28, 2019 to Sept 27, 2024			
6.	Re-appointment of Mr. Pankaj Jain(DIN: 01234804) as Independent Director to hold office for 5 Years From Sept. 28, 2019 to Sept 27, 2024			
7.	Re-appointment of Mr. Rajeev Mittal (DIN: 00082115) as Independent Director to hold office for 5 Years From Sept. 28, 2019 to Sept 27, 2024			
8.	Re-appointment of Mr. Ramesh Roshanlal Agarwal (DIN: 00151223) as Managing Director to hold office for 5 Years From Sept. 1, 2020 to Sept 01, 2025			

Signed this _____ day of _____ of 2019.

Signature of the Shareholder: _____

Signature of the Proxy holder(s): _____



Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the For or Against column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.



SRU STEELS LIMITED

CIN: L17300DL1995PLC107286

Registered & Corporate Office: A-48, 1st Floor, Wazirpur Industrial Area, Delhi-110052

E-mail: srusteels@yahoo.in, Website: www.srusteels.in

Tel: 011-27373622

ATTENDANCE SLIP

24th Annual General Meeting - September 30, 2019	
Registered Folio/DP ID/Client ID:	
Name and Address of first/Sole Shareholder:	
Joint Holder(s)	
No. of Shares	

I/we hereby record my/our presence at the Twenty Fourth (24th) Annual General Meeting (AGM) of **SRU Steels Limited** to be held on Monday, September 30, 2019, at 11:00 a.m. at Ground Floor, Khasra No. 21/5, Nangli Poon, North West Delhi, Delhi-110036.

Name of the Person attending : _____

Capacity : Member Proxy Authorized Representative

(Please ✓ appropriate box) _____

Member's / Proxy's / Authorised Representative

INSTRUCTIONS:

- (a) Members/Proxy holders are requested to bring this Attendance Slip duly filled in and signed with them, when they come to the meeting and hand it over at the ATTENDANCE VERIFICATION COUNTER, at the entrance of the Meeting Hall.
- (b) NO ATTENDANCE SLIP SHALL BE ISSUED AT THE MEETING.**
- (c) Electronic copy of the Annual Report for the financial year 2018-19 & Notice of the AGM along with the Attendance slip & Proxy form is being sent to all the members whose e-mail address is registered with the Company/DP unless any member has requested for the hard copy of the same. Members receiving electronic copy & attending the AGM can print copy of the Attendance slip.
- (d) Physical copy of the Annual Report for the financial year 2018-19 & the Notice of the AGM along with the Attendance slip & proxy form is being sent in the permitted mode(s) to all the members whose e-mail is not registered or have requested for hard copy. Please bring your copy of the Annual Report to the Meeting.
- (e) The Meeting is of members only and you are requested not to bring with any person, who is not a member or proxy.

Note: Please read the instructions given in the Notice of AGM before casting your vote through e-voting.

**SRU STEELS LIMITED**

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Tel: 011-27373622

**FORM NO. MGT-12
BALLOT PAPER / POLLING PAPER**

Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(C) of the Companies (Management and Administration) Rules, 2014]

Name(s) of Member(s): (In BLOCK /CAPITAL LETTERS)	
Registered Address:	
DP ID / Client ID* or Registered folio No. /	
No. of equity shares held:	

*Applicable in case of Share held in electronic form

I/We, hereby exercise my/our vote(s) in respect of the following resolution(s) as set out in the Notice of 24th Annual General Meeting of the Company scheduled to be held on Monday, 30th September, 2019 at 11:00 A.M. by conveying my/our assent and/or dissent to the said Resolution(s) in the relevant box as stated herein below:

Resolution No.	Resolutions	No. of Equity Share(s) held	I/We assent to the Resolutions on (For)*	I/We assent to the Resolution (Against)*
Ordinary Business				
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019, including audited Balance Sheet as at March 31, 2019 and Statement of Profit and Loss for the year ended on that date together with reports of the Board of Directors and Auditors thereon.			
2	To appoint a Director in place of Ms. Richa Agarwal (DIN: 00082722) who retires by rotation in terms of Section-152(6) of the Companies Act, 2013 at this Annual General Meeting, and being eligible, offers herself for re-appointment.			
3	To appoint M/s Agrawal Mahesh Kumar & Co., Chartered Accountants, New Delhi (Firm Registration No. 014618N) as a Statutory Auditor of the Company and to fix their remuneration.			
Special Business				
4	Re-appointment of Mr. Ashok Kumar Mahawar (DIN:02600539) as Independent Director to hold office for 5 Years From Sept. 28, 2019 to Sept 27, 2024			
5	Re-appointment of Mr. Prem Prakash Agarwal (DIN: 00081871) as Independent Director to hold office for 5 Years From Sept. 28, 2019 to Sept 27, 2024			
6	Re-appointment of Mr. Pankaj Jain(DIN: 01234804) as Independent Director to hold office for 5 Years From Sept. 28, 2019 to Sept 27, 2024			
7	Re-appointment of Mr. Rajeev Mittal (DIN: 00082115) as Independent Director to hold office for 5 Years From Sept. 28, 2019 to Sept 27, 2024			
8	Re-appointment of Mr. Ramesh Roshanlal Agarwal (DIN: 00151223) as Managing Director to hold office for 5 Years From Sept. 1, 2020 to Sept 01, 2025			

*Please put a tick mark (✓) in appropriate column against the resolution(s) indicated above. In case of member/proxy wishes his/her vote to be used differently, he/she should indicate the number of shares under the columns 'For' and/or 'Against'.

Place:

Date:

Signature of Member



SRU STEELS LIMITED

CIN: L17300DL1995PLC107286

Registered & Corporate Office: A-48, 1st Floor, Wazirpur Industrial Area, Delhi-110052

E-mail: srusteels@yahoo.in, Website: www.srusteels.in

Tel: 011-27373622

**FORM NO. SH-13
NOMINATION FORM**

Pursuant to section 72 of the Companies Act, 2013 and rule 19(1)(C) of the Companies (Share Capital and Debentures) Rules, 2014]

To
SRU Steels Limited
A-48, 1st Floor, Wazirpur Industrial Area,
Delhi-110052

I/We the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

(2)	PARTICULARS OF NOMINEE/S — (a) Name: (b) Date of Birth: (c) Father's/Mother's/Spouse's name: (d) Occupation: (e) Nationality: (f) Address: (g) E-mail id: (h) Relationship with the security holder:	 <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
(3)	IN CASE NOMINEE IS A MINOR— (a) Date of birth: (b) Date of attaining majority (c) Name of guardian: (d) Address of guardian:	 <hr/> <hr/> <hr/> <hr/>
(4)	PARTICULAR OF NOMINEE IN CASE MINOR NOMINEE DIES BEFORE ATTAINING AGE OF MAJORITY (a) Name (b) Date of birth: (c) Father's /Mother's/Spouse's name: (d) Occupation: (e) Nationality: (f) Address: (g) E-mail id: (h) Relationship with the security holder: (i) Relationship with minor	 <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>

Name:

Address:

Name of the Security Holder (s) Signature

Witness with name and address



SRU STEELS LIMITED

CIN: L17300DL1995PLC107286

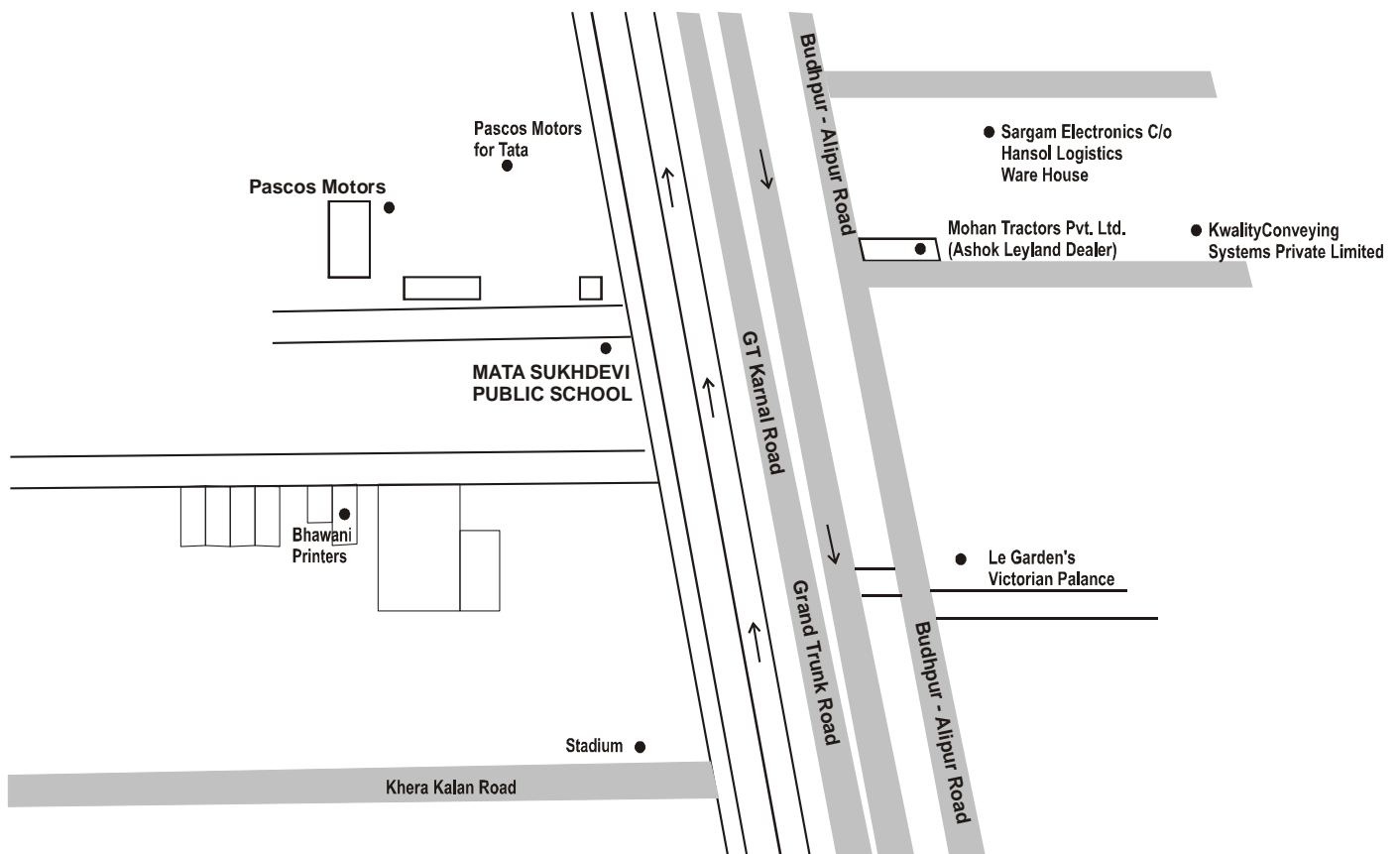
Registered & Corporate Office: A-48, 1st Floor, Wazirpur Industrial Area, Delhi-110052

E-mail: srusteels@yahoo.in, Website: www.srusteels.in

Tel: 011-27373622

Route Map of the venue of the 24th Annual General Meeting

- Date** : Monday, September 30, 2019
- Venue** : Ground Floor, Khasra No. 21/5
Village Nangli Poona,
New Delhi-110036
- Landmark** : Next to Mata Sukhdevi Public School,
Near Jain Mandir, New Delhi
- Time** : 11:00 A.M.





SRU STEELS LTD.

Regd. Off. & Corp. Off.: A-48, 1st Floor, Wazirpur Industrial Area, Delhi-110 052
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