



**SRU STEELS LIMITED**

# **28<sup>TH</sup> Annual Report 2022-23**



## **SRU STEELS LIMITED**

**Setting Standard in Steel Profiles**

**CIN: L17300DL1995PLC107286**

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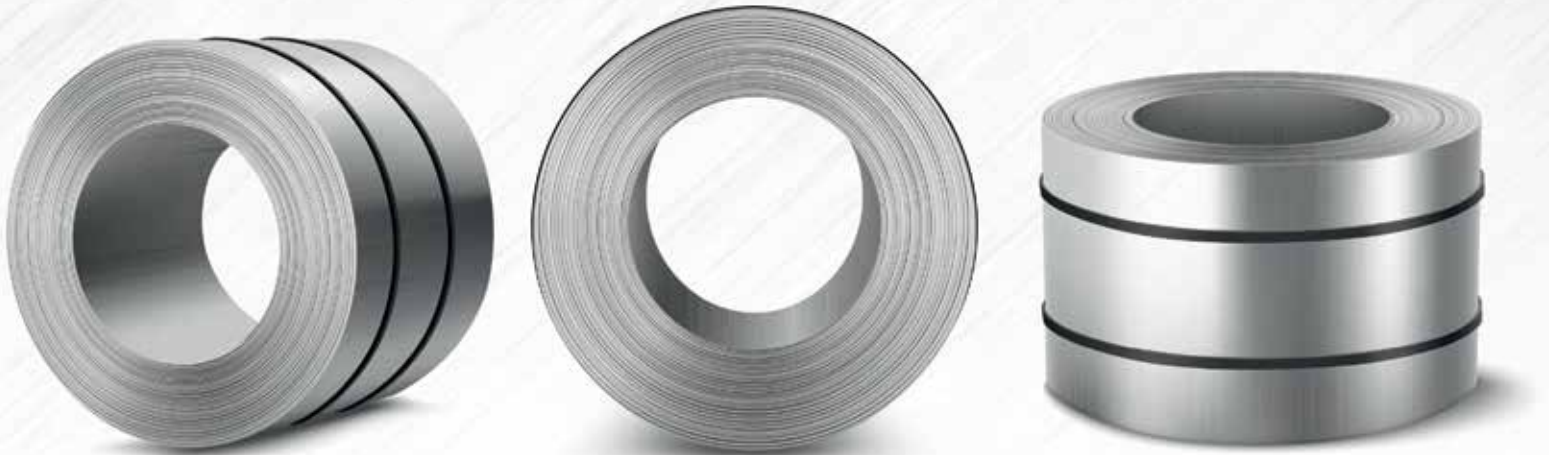
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## VISION OF SRU STEELS LIMITED

We hope to develop into a trailblazing, forward-thinking company that is cooperative, creative, and adaptable to the changing needs of our clients.





## INTRODUCTION

Since the beginning of our activities, we have been recognized for offering the highest quality stainless steel products, and for more than 28 years, we have been able to adapt to the changing needs of our clients. SRU Steels Limited is a well-known brand in the industry. These items are supplied from trustworthy suppliers to guarantee high standards of quality. At our end, the caliber of these products is consistently maintained. The company only engages in the trading of different kinds of steel and steel-related products. The company currently deals in a variety of steel product kinds and sells steel products on a commission basis.

In addition, the company plans to expand the mode of distribution of products in the market via direct sale to the customer along with consignment sales in anticipation of increased demand for steel and steel products in the future due to the development of numerous infrastructure and housing projects.



## OUR PRODUCTS

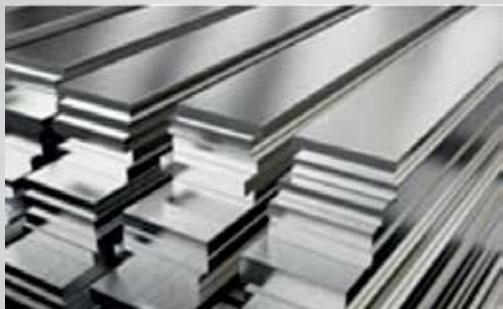
Since Jindal Steel Limited (JSL) and Steel Authority of India Limited are the providers of the raw materials used in product production, the quality of our products can be guaranteed.

As a prominent supplier of a wide selection of stainless steel, our company stands out. Due to their exceptional quality and longevity, our products are well-liked and acknowledged in the market. These goods serve a variety of important applications across numerous sectors. The established standards and guidelines of the global market apply to the sale of our whole collection.

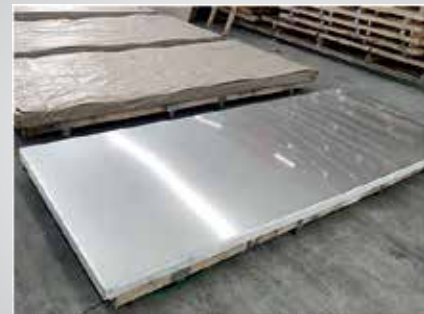
### Our Specialties in Stainless Steel are in the Categories of

- SS Sheet
- SS PVC Coated Sheet
- SS Designer Sheet
- SS Checkered Sheet
- SS Coils
- SS Pipe Fittings
- SS Rod
- SS Angle
- SS Channel
- SS Round Tube
- SS Flat Bar
- SS Flange
- SS Dairy Fittings & Valve

#### SS SHEET



#### SS PVC Coated Sheet



#### SS Checkered Sheets



#### SS Coils



**SS PIPE****SS ROD****SS Angle****SS CHANNEL****SS Round Tube****SS Flat Bar****SS Flange****SS DAIRY FITTINGS & VALVES**





# HIGHLIGHTS OF THE YEAR

## TOTAL INCOME GROWTH

11.06%

2022-23  
Rs. 167,164,000

2021-22  
Rs. 150,513,958

## EBITDA GROWTH

147.48%

2022-23  
Rs. 13,571,000

2021-22  
Rs. 5,483,692

## PAT GROWTH

203.73%

2022-23  
Rs. 6,986,000

2021-22  
Rs. 2,300,038

## EPS GROWTH

200%

2022-23  
0.87%

2021-22  
0.29%

## NET WORTH

4.88%

2022-23  
Rs. 132,934,000

2021-22  
Rs. 126,747,031



## CORPORATE INFORMATION

BOARD OF DIRECTORS	DESIGNATION
Mr. Naresh Kumar Garg	Chairman
Mr. Apoorv Agarwal	Managing Director
Mr. Ashok Kumar Mahawar	Independent Director
Mr. Rajiv Mittal	Independent Director
Mr. Anand Kumar Agarwal	Independent Director
Mr. Surendra Deepchand Sharma	Independent Director
Mr. Harshit Ambrish Shah	Independent Director
Mrs. Richa Singla	Non-Executive Director

KEY MANAGERIAL PERSONNEL	DESIGNATION
Mr.ArpitAgarwal	Chief Executive Officer
Mr. HiteshLaxmikantSomani	Chief Financial officer
Ms.ShalluGarg	Company Secretary and Compliance Officer(appointed w.e.f. 27.03.2023)

REGISTRAR AND SHARE TRANSFER AGENT	REGISTERED OFFICE
Beetal Financial & Computer Services(P)Ltd Beetal House,3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062; Tel:011-29961281,29961282 E-mail:beetal@rediffmail.com, Website:www.beetalfinancial.com; Fax:011-29961284	A-48,1st Floor, Wazirpur Industrial Area, Delhi-110052 Email:srusteels@yahoo.in, Website:www.srusteels.in; Tel:011-27373622

CORPORATE IDENTIFICATION NUMBER	CORPORATE IDENTIFICATION NUMBER
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: vdnnext1711@gmail.com, Website: www.anandnimesh.com	CIN: L17300DL1995PLC107286

Bankers	AUDITORS
State Bank of India	

INTERNAL AUDITOR	STATUTORY AUDITOR
M/s Goel Vikas & Co., Character Accountant G-261, First Floor, Rishi Nagar, Rani Bagh, Delhi-110034	M/s Agrawal Mahesh Kumar & Co (CharteredAccountants) 387, 2nd Floor, Anuvart Tower,Wazirpur Commercial Complex New Delhi-110052 Tel: 9312247400; Email ID: fcamka@gmail.com

SECRETARIAL AUDITOR	
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: vdnnext1711@gmail.com; Website: www.anandnimesh.com	



## SRU STEELS LIMITED

CIN No-L17300DL1995PLC107286

Regd. Office : A-48, 1st Floor, Wazirpur Industrial Area, New Delhi-110052

website:- www.srusteels.in | E-mail:- srusteels@yahoo.in | Tel No-011-27373622,

**Notice**

Notice is hereby given that the Twenty Eighth (28<sup>th</sup>) Annual General Meeting (AGM) of the members of will be held on Saturday, September 30, 2023 at 3:00 P.M., Indian Standard Time (IST) through Video Conferencing/ Other Audio Visual Means ("VC/OAVM"), to transact the following businesses. The Venue of the meeting shall be deemed to be the registered office of the Company at A-48, 1st Floor, Wazirpur Industrial Area, Delhi-110052.

**ORDINARY BUSINESS:**

**1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023 TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS AND THE AUDITORS THEREON:**

To consider, and if thought fit, to pass, with or without modification(s), the following resolution, as an ordinary resolution:

"**RESOLVED THAT** the audited financial statements of the Company for the financial year ended March 31, 2023, the report of the auditors thereon and the report of the Board of Directors for the financial year ended March 31, 2023 be and are hereby received, considered and adopted."

**2. TO APPOINT A DIRECTOR IN PLACE OF MR. APOORV AGARWAL (DIN:02763242), WHO RETIRES BY ROTATION IN TERMS OF SECTION 152 OF THE COMPANIES ACT, 2013 AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.**

To consider, and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time ("Act"), Mr. Apoorv Agarwal (DIN:02763242), who retire by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

**SPECIAL BUSINESS**

**3. TO APPOINTMENT OF MR. VISHAL MEHRA (DIN: 09717741) AS AN INDEPENDENT DIRECTOR FOR A PERIOD OF 5 (FIVE) CONSECUTIVE YEARS:**

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

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Article of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee and that of the Board of Directors, the approval of the members of the Company be and is

hereby accorded for appointment of Mr. Vishal Mehra (DIN: 09717741) as Non-Executive Independent Director of the Company, who has submitted a declaration confirming the criteria of Independence under Section 149 (6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the Listing Regulations, as amended from time to time and who is eligible for appointment, for a period of five consecutive years starting from 02nd September, 2023 to 01st September, 2028 and that he shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) or any Director of the Company be and is hereby authorized to do all such acts, deeds and things and to sign and execute all such deed, documents and instruments as may be necessary, expedient and incidental thereto to give effect to this resolution."

**4. TO APPOINTMENT MR. RAJEEV MEHRA (DIN: 08430959) AS AN INDEPENDENT DIRECTOR FOR A PERIOD OF 5 (FIVE) CONSECUTIVE YEARS:**

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

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Article of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee and that of the Board of Directors, the approval of the members of the Company be and is hereby accorded for appointment of Mr. Rajeev Mehra (DIN: 08430959) as Non-Executive Independent Director of the Company, who has submitted a declaration confirming the criteria of Independence under Section 149 (6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the Listing Regulations, as amended from time to time and who is eligible for appointment, for a period of five consecutive years starting 02nd September, 2023 to 01st September, 2028 and that he shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) or any Director of the Company be and is hereby authorized to do all such acts, deeds and things and to sign and execute all such deed, documents and instruments as may be necessary, expedient and incidental thereto to give effect to this resolution."

**5. TO APPOINTMENT MRS. SITABEN PATEL (DIN: 02470150) AS AN INDEPENDENT DIRECTOR FOR A PERIOD OF 5 (FIVE) CONSECUTIVE YEARS:**

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



**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Article of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee and that of the Board of Directors, the approval of the members of the Company be and is hereby accorded for appointment of Mrs. Sitaben Patel (DIN: 02470150) as Non-Executive Independent Director of the Company, who has submitted a declaration confirming the criteria of Independence under Section 149 (6) of the Act and the Rules made

thereunder and Regulation 16(1)(b) of the Listing Regulations, as amended from time to time and who is eligible for appointment, for a period of five consecutive years starting 02nd September, 2023 to 01st September, 2028 and that he shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) or any Director of the Company be and is hereby authorized to do all such acts, deeds and things and to sign and execute all such deed, documents and instruments as may be necessary, expedient and incidental thereto to give effect to this resolution."

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

**Apoorv Agwarwal  
Managing Director  
(DIN: 02763242)**

**Date: 02<sup>nd</sup> September, 2023**

**Place: New Delhi**

## Notes:

1. Pursuant to the General Circular No. 10/2022 dated December 28, 2022 issued by Ministry of Corporate Affairs (MCA) and earlier circulars issued in this regard by the Ministry of Corporate Affairs ("MCA circular") read with the Securities and Exchange Board of India Circular No. SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated January 5, 2023 and earlier circulars issued in this regard ("SEBI circular") and in compliance with the provisions of the Companies Act, 2013 ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation, 2015 ("Listing Regulations"), has permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. The 28th AGM of the Company is being held through VC/OAVM. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at A-48, 1st Floor, Wazirpur Industrial Area, Delhi-110052, which shall be deemed venue of the AGM.
2. The Explanatory Statement according to Section 102 of the Act setting out material facts concerning the business under **Item Nos. 3, 4 and 5** of the Notice is annexed hereto. The relevant details, pursuant to Regulations 36(3) of the Listing Regulations and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment at the AGM are provided as an annexure to the Notice. Requisite declarations have been received from the Directors for seeking appointment.
3. In compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. Central Depository Services (India) Limited ('CDSL') will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is available on the website of the Company at [www.srusteels.in](http://www.srusteels.in).
4. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO**

**APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.**

5. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this notice.
6. Institutional / Corporate Members (i.e. other than Individual, HUF, NRI etc.) intending to send their Authorised Representatives to attend and vote in the meeting to be held through video conferencing are requested to share with the Company for Authorization a certified true copy of the board resolution through electronic mode, power of attorney or such other valid authorization, authorizing him/ her to attend and vote in the meeting to be held through video conferencing and any one of the photo identity proofs (viz. Driving License, PAN Card, Election Card, Passport or any other valid proof), pursuant to Section 112 and Section 113 of the Act at [srusteels@yahoo.in](mailto:srusteels@yahoo.in).
7. In compliance with the aforesaid MCA circulars and SEBI Circular dated May 13, 2022, Notice of the AGM alongwith the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories unless any Member has requested for a physical copy of the same. The Notice of 28th AGM and the Annual Report 2022-23 will also be available on the Company's website i.e. [www.srusteels.in](http://www.srusteels.in) and website of stock exchange [www.bseindia.com](http://www.bseindia.com) and the Notice of 28th AGM will be available on the website of Central Depository Services Limited (CDSL) at [www.evotingindia.com](http://www.evotingindia.com).
8. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

9. All the documents referred to in the accompanying notice and 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 Website of the Company at [www.srusteels.in](http://www.srusteels.in).
10. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Share transfer Book and Register of Members of the Company will remain closed from Friday, 22nd September, 2023 to Saturday, 30th September, 2023 (both days inclusive).
11. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code etc., **(a) For shares held in electronic form:** to their Depository Participants (DPs) **(b) For shares held in physical form:** to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021. The Company has sent letters along with Business Reply Envelopes (BRE) for furnishing the required details.
12. Members may please note that SEBI vide its Circular No. SEBI/HO/ MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at [www.srusteels.in](http://www.srusteels.in). It may be noted that any service request can be processed only after the folio is KYC Compliant.
13. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
14. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting **Form No. SH-13**. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in **Form ISR-3 or SH-14** as the case may be. The said forms can be downloaded from the Company's website [www.srusteels.in](http://www.srusteels.in). Members holding shares in demat mode may contact their respective Depository Participant for availing this facility.
15. Members may visit the Company's corporate website to view the Financial Statements or access information pertaining to the Company. Queries, if any, should be sent at least 48 hours before the AGM to Company Secretary at the Registered Office of the Company at [srusteels@yahoo.in](mailto:srusteels@yahoo.in)
16. Members holding shares in multiple folios in identical names or joint accounts in the same order of names are requested to apply to Company's RTA for consolidation of their shareholdings into one folio.
17. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demata ccount(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
18. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under **Note No.26**.
19. 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.
20. To support of the Green Initiative, Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company at [srusteels@yahoo.in](mailto:srusteels@yahoo.in) along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participants. In case of any queries / difficulties in registering the e-mail address, Members may write to [srusteels@yahoo.in](mailto:srusteels@yahoo.in).
21. (a) This Notice of AGM along with Annual Report for the financial year 2022-23 is being sent by email to those shareholders whose email addresses are registered with the Company/ Depositories and whose name appears as on 26th August, 2023 (Cut-off date) 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 22nd September, 2023 being the cut-off date. Members are eligible to cast vote electronically only if they are holding shares as on that date.
22. Members are requested to notify immediately any change of address:
  - a) To their Depository Participants (DPs) in respect of their electronic share accounts, and
  - b) 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.
23. 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.



24. Beetal Financial & Computer Services Pvt. Ltd. is the Registrar 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 HarsukhDassMandir, New Delhi-110062  
Ph. 011-29961281-283, Fax.011-29961284  
Email id: beetalrta@gmail.com
25. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of 28th Annual General Meeting and holding shares as of the cut-off date i.e. 22nd September, 2023 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](http://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.

## 26. Voting through electronic means

- As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021, Circular No. 21/2021 dated December 14, 2021 and Circular No. 02/2022 dated 05 May, 2022 respectively. The forthcoming AGM will thus be held through video conferencing or other audio visual means (VC/OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- In compliance to provision of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management & Administration) Rules, 2014 as amended by the Companies (Management & Administration) Rules, 2015, (including any statutory modification(s) or re-enactment thereof, for the time being in force), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- The Members, whose names appear in the Register of Members / List of Beneficial Owners as on 22nd September, 2023, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the resolutions set forth in this notice. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
- The Member can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice and the window will be closed for joining the meeting after 15 minutes from the scheduled time of the meeting. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will

not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

- Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.srusteels.in](http://www.srusteels.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
- With reference to the Ministry's General Circular No. 20/2020, dated 05th May, 2020 and Circular No. 02/2021 dated January 13, 2021, Circular No. 21/2021 dated December 14, 2021 and Circular No. 02/2022 dated 05 May, 2022 respectively, it has been decided to allow companies whose AGMs are due in the year 2022, to conduct their AGMs on or before 31.12.2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 dated 05th May, 2020.

## A. THE INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER

- The remote e-voting facility will be available during the following period:

<b>Commencement of remote E-Voting</b>	From 9:00 A.M, Wednesday, the 27th September, 2023
<b>End of remote E-Voting</b>	Up to 5:00 P.M, Friday, 29th September, 2023

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

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. Friday, 22nd September, 2023, 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 then he shall not be allowed to change it subsequently.

- Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; Listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/ retail shareholders is at a negligible level.

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

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

#### **STEP 1: ACCESS THROUGH DEPOSITORIES CDSL/NSDL E-VOTING SYSTEM IN CASE OF INDIVIDUAL SHAREHOLDERS HOLDING SHARES IN DEMAT MODE**

3. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

TYPE OF SHAREHOLDERS	LOGIN METHOD
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS".</li> </ol> <p>"Portal or click <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <ol style="list-style-type: none"> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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



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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**STEP 2: ACCESS THROUGH CDSL E-VOTING SYSTEM IN CASE OF SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE AND NON-INDIVIDUAL SHAREHOLDERS IN DEMAT MODE.**

**4. LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERS & PHYSICAL SHAREHOLDERS**

- i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 1) Click on Shareholders.
  - 2) 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.
  - 3) Next enter the Image Verification as displayed and Click on Login.
  - 4) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- 5) If you are a first time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat
PAN	<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"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use sequence number sent by Company/RTA or contact Company/RTA</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> <li>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.</li> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details.</li> </ul>

5. After entering these details appropriately, click on "SUBMIT" tab.
6. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they

are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

7. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
8. Click on the EVSN for the relevant **"SRUSTEELSLIMITED"** on which you choose to vote.
9. 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.
10. Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.
11. 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.
12. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
13. You can also take out print of the votes cast by clicking on "Click here to print" option on the Voting page.
14. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
15. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
16. Additional Facility for Non – Individual Shareholders and Custodians- Remote Voting Only
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz: [srusteels@yahoo.in](mailto:srusteels@yahoo.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

#### B. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE

#### RESOLUTIONS PROPOSED IN THIS NOTICE:

- i. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- ii. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
- iii. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository..
- iv. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.
- v. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.
27. The Board of Directors of the Company has appointed M/s Avinash Pandey & Associates, Practicing Company Secretaries as Scrutinizer to scrutinize the 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.
28. 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](http://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, where the equity shares of the Company are listed.
29. In terms of Section-149 of the Companies Act, 2013, the provisions of retirement by rotation are not applicable to independent directors. Therefore, Mrs. Richa Singla, Director, retire by rotation and being eligible offers herself for re-appointment at the ensuing Annual General Meeting.
30. 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 Website of the Company at [www.srusteels.in](http://www.srusteels.in).

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

**Place: New Delhi  
Date: 02nd September, 2023**

**Apoorv Agwarwal  
Managing Director  
(DIN:02763242)**

**ANNEXURE TO ITEM NO. 02**

Relevant details, in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 of General Meetings in respect of Director proposed for appointment/reappointment at Twenty Eighth (28th) Annual General Meeting are as follows:

<b>Name of the Director</b>	<b>Mr. Apoorv Agarwal</b>
<b>DIN</b>	02763242
<b>Date of Birth</b>	05th March 1991
<b>Nationality</b>	Indian
<b>Age</b>	32
<b>Date of first appointment on the Board</b>	11/02/2021
<b>Qualifications</b>	BBA
<b>Expertise in specific Functional Areas</b>	Mr. Apoorv Agarwal associated with the Education and Skill Development for a span around 8 years. He is young and dynamic person, having around 8 years' experience. He has arich experience of more than 9 years in Steel Industry. Mr. Agarwal has also hold the experience in Food Industry of around 5 years
<b>Terms and Conditions of Re-appointment</b>	Executive Director liable to retire by rotation
<b>List of Directorships held in other companies as on March 31, 2023</b>	<ul style="list-style-type: none"> <li>• Singhal Products India Private Limited</li> <li>• SKM Exports Industries Private Limited</li> <li>• Ujala Stainless Private Limited</li> <li>• Access Skills India Private Limited</li> <li>• UVR Natural Foods Private Limited</li> </ul>
<b>Remuneration last drawn during F.Y. 2022-23</b>	INR 9,00,000
<b>No. of Board Meeting attended during the financial year 2022-23</b>	8
<b>Chairman/Member of the Committees of the Board of companies in which he is a Director</b>	Nil
<b>Relationship between Directors and KMP of the Company</b>	Mr. Apoorv Agarwal is related to Mrs. Richa Singla, Non-Executive Director of the Company and Mr. Aprit Agarwal, Chief Executive Officer (CEO) of the Company. Mr. Apoorv Agarwal, Mr. Arpit Agarwal, and Mrs. Richa Singla are brother and sister.

**ITEM NO. 03**

Mr. Vishal Meha (DIN: 09717741) was appointed as Additional Independent Directors on the Board by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee, in Board Meeting held on 02nd September, 2023 and subject to the approval of the members in the ensuing Annual General Meeting for appointment as an Independent Director to hold office for a term of five consecutive years starting from 02nd September, 2023 to 01st September, 2028 in accordance with the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Board recommends the Special Resolutions set out at Item No. 3 of the Notice of Annual General Meeting of the Company.

Mr. Rajeev Mehar and Vishal Mehra are brother in laws.

Except above none of the Directors and Key Managerial Personnel (including relatives of directors or key managerial personnel) of the Company, is concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding in the Company.

**DETAILS OF DIRECTORS PROPOSED TO BE APPOINTED AT THE FORTHCOMING POSTAL BALLOT AS REQUIRED BY SECRETARIAL STANDARD-2 READ WITH REGULATION 26 AND REGULATION 36(3) OF THE LISTING REGULATIONS:**

<b>Name of Director</b>	<b>Mr. Vishal Mehra</b>
<b>Date of Birth</b>	10/08/1973
<b>DIN</b>	09717741
<b>Date of Appointment/ Re- Appointment</b>	02/09/2023
<b>Nationality</b>	Indian
<b>Type of Appointment</b>	Non-Executive Independent Director not liable to retire by rotation
<b>Qualification</b>	BCOM
<b>Last Drawn Remuneration</b>	NIL



<b>Expertise in specific functional area</b>	Mr. Vishal Mehra is well versed with the steels industry and has a vast experience in the filed for a span of around 15 years.
<b>Directorship held in other companies</b>	Wellness Drugs and Pharmaceuticals Limited
<b>Memberships/Chairmanships of Committees of other Companies</b>	NIL
<b>Relationship with other Director/s</b>	Mr.Vishal Mehar and Mr.Rajeev Mehar are brother in laws
<b>Number of Shares held in the Company</b>	NIL
<b>Skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	Mr. Vishal Mehra aged 50 years, is Non Executive Director and Independent Director in our company. He is currently managing Director of Welcure Drugs and Pharmaceuticals Limited. He is actively engaged in managing the company since takeover. He is experienced and dynamic person, having a corporate environment with having 20 year's experience in versatile fields.

#### **ITEM NO. 04**

Mr. Rajeev Meha (DIN: 08430959) was appointed as Additional Independent Directors on the Board by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee, in Board Meeting held on 02nd September, 2023 and subject to the approval of the members in the ensuing Annual General Meeting for appointment as an Independent Director to hold office for a term of five consecutive years starting from 02nd September, 2023 to 01st September, 2028 in accordance with the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Board recommends the Special Resolutions set out at Item No. 04 of the Notice of Annual General Meeting of the Company.

Mr. Rajeev Mehar and Vishal Mehra are brother in laws.

Except above none of the Directors and Key Managerial Personnel (including relatives of directors or key managerial personnel) of the Company, is concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding in the Company.

#### **DETAILS OF DIRECTORS PROPOSED TO BE APPOINTED AT THE FORTHCOMING POSTAL BALLOT AS REQUIRED BY SECRETARIAL STANDARD-2 READ WITH REGULATION 26 AND REGULATION 36(3) OF THE LISTING REGULATIONS:**

<b>Name of Director</b>	<b>Mr. Rajeev Mehra</b>
<b>Date of Birth</b>	12/02/1976
<b>DIN</b>	08430959
<b>Date of Appointment/ Re- Appointment</b>	02/09/2023
<b>Nationality</b>	Indian
<b>Type of Appointment</b>	Non-Executive Independent Director not liable to retire by rotation
<b>Qualification</b>	BCOM Delhi
<b>Last Drawn Remuneration</b>	NIL
<b>Expertise in specific functional area</b>	Mr. Rajeev Mehra is well versed with the Textile Industry and has a vast experience in the filed for a span of around 25 years.
<b>Directorship held in other companies</b>	Wellness Drugs and Pharmaceuticals Limited
<b>Memberships/Chairmanships of Committees of other Companies</b>	NIL
<b>Relationship with other Director/s</b>	Mr.Vishal Mehar and Mr.Rajeev Mehar are brother in laws
<b>Number of Shares held in the Company</b>	NIL
<b>Skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	Mr. Rajeev Mehra have done graduation from the renowned university, he had had a vast experience of more than 25 years in business. He had track record for handling the supplier chain management system and have knowledge of handling the financial matters and ensuring the proper risk management system has been developed in the organization

**ITEM NO. 05**

Mrs. Sitabhen Patel (DIN: 02470150) was appointed as Additional Independent Directors on the Board by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee, in Board Meeting held on 02nd September, 2023 and subject to the approval of the members in the ensuing Annual General Meeting for appointment as an Independent Director to hold office for a term of five consecutive years starting from 02nd September, 2023 to 01st September, 2028 in accordance with the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Board recommends the Special Resolutions set out at Item No. 05 the Notice of Annual General Meeting of the Company.

None of the Directors and Key Managerial Personnel (including relatives of directors or key managerial personnel) of the Company, is concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding in the Company.

**DETAILS OF DIRECTORS PROPOSED TO BE APPOINTED AT THE FORTHCOMING POSTAL BALLOT AS REQUIRED BY SECRETARIAL STANDARD-2 READ WITH REGULATION 26 AND REGULATION 36(3) OF THE LISTING REGULATIONS:**

<b>Name of Director</b>	<b>Sitaben Patel</b>
<b>Date of Birth</b>	15/08/1968
<b>DIN</b>	02470150
<b>Date of Appointment/ Re- Appointment</b>	02nd September, 2023
<b>Nationality</b>	Indian
<b>Type of Appointment</b>	Non-Executive Independent Women
<b>Qualification</b>	BCOM
<b>Last Drawn Remuneration</b>	NIL
<b>Expertise in specific functional area</b>	Direct & Indirect taxation
<b>Directorship held in other companies</b>	5
<b>Memberships/Chairmanships of Committees of other Companies</b>	0
<b>Relationship with other Director/s</b>	N/A
<b>Number of Shares held in the Company</b>	NA
<b>Skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	Mrs. Sitaben S Patel had done graduation from the renowned university having experience of more than 5 years in finance and marketing, she has a vast experience in finance management, direct & indirect taxation, supply chain & procurement, automation of different functions, sales team support, capex planning, debtors' management, handling of insurance matter etc.

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

Place: New Delhi  
Date: 02nd September, 2023

**Apoorv Agwarwal**  
Managing Director  
(DIN: 02763242)



## DIRECTORS' REPORT

To,

The Members,

Yours Directors have pleasure in presenting the Twenty-Eighth (28th) Annual Report on the business and operations of your Company together with the audited accounts for the financial year ended March 31, 2023.

### 1. Financial Summary/ Performance of the Company:

(Amount in Lakhs ₹)

PARTICULARS	For the financial year ended March 31, 2022	For the financial year ended March 31, 2021
Revenue from Operation	1,57,865	1,40,994
Other Income	9,299	9,520
<b>Total Revenue</b>	<b>1,67,164</b>	<b>150,514</b>
Total expenditure before finance cost, depreciation	1,53,579	1,44,894
<b>Profit before Finance Cost and Depreciation</b>	<b>13,585</b>	<b>5,620</b>
Finance Cost	3,149	1,452
Depreciation	987	1,060
<b>Profit before Exceptional Item &amp; Tax</b>	<b>9,447</b>	<b>3,108</b>
Exceptional Item	Nil	Nil
<b>Profit before Tax</b>	<b>9,447</b>	<b>3,108</b>
Less: Current Tax	2,512	884
	(49)	(76)
<b>Earlier period Tax Expense</b>	<b>6,989</b>	<b>2,300</b>
<b>Deferred Tax</b>	<b>Nil</b>	<b>Nil</b>
<b>Profit For the Year</b>	<b>6,989</b>	<b>2,300</b>
<b>Other Comprehensive Income</b>		
Basic	0.87	0.29
Diluted	0.87	0.29

### 2. Dividend

Your Directors are pleased to inform your that the company during the year under the review has declared the first interim dividend for the financial year 2022-23, of Rs. 0.10/- Per Equity Share each (i.e. 1% on Rs. 10 fully paid up share) in its board meeting held on 10th March, 2023. The above Interim dividend has been made in compliance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

### 3. Transfer to Reserves

During the year under the review your company has declared dividend from the general reserves of the Company Your Company has transferred a sum of **Rs.6,986** to the General Reserves. The total Reserves and Surplus as at March 31, 2023 was **Rs.53,015**

### 4. Operations Review and the state of affairs of the Company

During the year under the review your Company focuses 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 **Rs 1,57,865/-** in 2022-23 as against Rs 1,40,994- in 2021-22 and earned a profit of **Rs. 6,986/-** in 2022-23 as against Rs. 2,300 /- in 2021-22 registering a growth of 200% as compared to the previous year profit.

### 5. Nature of Business

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 and **there is no change in the nature of business of the company.**

### 6. Share Capital/ Capital Structure and Listing of Share

The Authorised Share capital of the Company as at 31st March, 2022 was **Rs. 95,000,000/-** divided into 9,500,000 equity shares of Rs. 10/- each.

The Paid up Share Capital of your Company as on 31st March, 2022 was **Rs. 79,919,000** divided into 7,991,900 equity shares of Rs. 10/- each. During the year under review, your Company has not issued any shares.

The Company's equity shares are listed with BSE Limited. The annual listing fee for the financial year 2022-23 is required to be paid to the Stock Exchange.

However, the company in its Board meeting held on 10th March, 2023 has passed a resolution for increase in the authorized share capital of the company from **Rs. 95,000,000/-** divided into 9,500,000 equity shares of Rs. 10/- each to Rs. 12,50,00,000 divided into 1,25,00,000 equity shares of Rs. 10/- each. subject to the approval of the shareholders of the company through postal ballot.

The Board of Directors of the Company at their meeting held on March 10, 2023 approved the issue of Bonus Equity Shares in ratio of '1(one) new equity share for every 2 (two) existing equity shares held', The members has approved the above resolution through postal ballot dated 14th April, 2023.

### 7. 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.

### 8. Subsidiaries, Associate Companies and Joint Venture

The Company is not required to consolidate its financial statement for the year ended 31st March, 2023 as the Company does not have any subsidiaries, joint venture, or associate Companies.

### 9. 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 Standard (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 principle 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 31st March, 2023 have also been prepared in accordance with Indian Accounting Standard (Ind AS).

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

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

#### 11. Board and Committee Meetings

During the financial year 2022-23, 8 (Eight) number of Board Meetings and 4 (Four) number of Audit Committee Meetings were held. For the details thereof kindly refer to 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.

#### 12. Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the draft copy of Annual Return as on March 31, 2023 is available on the Company's website at [http://www.srusteels.in/annual\\_return.html](http://www.srusteels.in/annual_return.html)

#### 13. Directors & Key Managerial Personnel

##### a) Retirement by Rotation

Pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, One- third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently, Mr. Apoorv Agarwal. (DIN: 02763242), Director, is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, he has offered himself for re-appointment.

Necessary resolution for her re-appointment are included in the Notice of AGM for seeking approval of members. The Board of

Directors has recommended his re-appointment.

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

##### b) Appointment

##### 1. Ms. Shalu Garg

Ms. Shalu Garg has been appointed by the Board of Directors of the Company as Company Secretary and Compliance Officer of the Company with effect from 27th March, 2023 on the recommendation of the Nomination and Remuneration Committee of the Company, pursuant to the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and pursuant to the provision of Section 2 (18) read with Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration) Rules, 2014

##### 2. Mr. Anand Kumar Agarwal

Pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Article of Association of the Company, on the approval and recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company approved the appointment of Anand Kumar Agarwal (DIN: 02459795) as Non-Executive Independent Director of the Company, who has submitted a declaration confirming the criteria of Independence under Section 149 (6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the Listing Regulations, as amended from time to time and who is eligible for appointment, for a period of five consecutive years starting from 07th February, 2023 to 06th February, 2028 and that he shall not be liable to retire by rotation.

The above mentioned appointment has been approved by the shareholders by passing resolution through postal ballot on 14th April, 2023.

##### 3. Mr. Harshit Ambrish Shah

Pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Article



of Association of the Company, thereof for the time being in force), the Article of Association of the Company, on the approval and recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has approved the appointment of Mr. Harshit Ambrish Shah (DIN: 03133614) as Non-Executive Independent Director of the Company, who has submitted a declaration confirming the criteria of Independence under Section 149 (6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the Listing Regulations, as amended from time to time and who is eligible for appointment, for a period of five consecutive years starting from 10th March, 2023 to 09th March, 2028 and that he shall not be liable to retire by rotation

The above mentioned appointment has been approved by the shareholders by passing resolution through postal ballot on 14th April, 2023.

#### 4. Mr. Surendra Deepchand Sharma

Pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Article of Association of the Company, thereof for the time being in force), the Article of Association of the Company, on the approval and recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has approved the appointment of Mr. Surendra Deepchand Sharma (DIN: 03539486) as Non-Executive Independent Director of the Company, who has submitted a declaration confirming the criteria of Independence under Section 149 (6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the Listing Regulations, as amended from time to time and who is eligible for appointment, for a period of five consecutive years starting from 10th March, 2023 to 09th March, 2028 and that he shall not be liable to retire by rotation

The above mentioned appointment has been approved by the shareholders by passing resolution through postal ballot on 14th April, 2023.

#### c) Cessation

##### 1) Mr. Deepak Kumar

During the year under review, Mr. Deepak, has resigned from the post of Company Secretary and Compliance Officer of the Company w.e.f November 05, 2022 and the Board places on record its appreciation for invaluable contribution and guidance during his tenure as Company Secretary and Compliance Officer of the Company.

##### 2) Pankaj Jain

During the year under review, Mr Pankaj Jain, Non- Executive Independent Director has resigned from his post of the Company as Independent Director and as the Member of Audit Committee, Nomination and remuneration Committee and Stakeholder

relationship Committee w.e.f 07th September, 2022 and the Board places on record its appreciation for invaluable contribution and guidance during his tenure as Independent Director of the Company

##### 3) Prem Prakash Agarwal

During the year under review, Mr Prem Prakash Agarwal, Non-Executive Independent Director has resigned from his post of the Company as Independent Director and as the Member of Audit Committee, Nomination and remuneration Committee and Stakeholder relationship Committee w.e.f 07th February, 2023 and the Board places on record its appreciation for invaluable contribution and guidance during his tenure as Independent Director of the Company

##### d) 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) Regulation, 2015, the Company has appointed Ms Richa Singla (DIN: 00082722) who is serving on the Board of the Company, since the year 2014.

#### 14. Declaration from Independent Directors on Annual Basis

The company has received necessary declarations from all the Independent Directors of the company under Section 149(7) of the Act confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended. They are exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committees of the Board.

The Board of Director are of the opinion that the independent director is a person of integrity and possesses relevant expertise and experience and his continued association as Director will be of immense benefit and in the best interest of the Company and there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules

thereunder) of all Independent Directors on the Board.

### 15. Policy on Directors' appointment and Policy on Remuneration

Pursuant to the provisions of Section 134 (3) (e) and Section 178 of the Companies Act, 2013 and in terms of Regulation 19(4) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Board has formulated a policy on Nomination and Remuneration for its Directors, Key Managerial Personnel and senior management.

The salient features of the Policy are:

- It provides the diversity on the Board of the Company and
- It provides the mechanism for performance evaluation of the Directors
- It lays down the parameters based on which payment of remuneration (including sitting fees and remuneration) should be made to Independent Directors and Non-Executive Directors.
- It lays down the parameters based on which remuneration (including fixed salary, benefits and perquisites, bonus/ performance linked incentive, commission, retirement benefits) should be given to Whole-time Directors, KMPs and rest of the employees.
- It lays down the parameters for remuneration payable to Director for services rendered in other capacity.

It is hereby affirmed that the Remuneration paid is as per the Remuneration Policy of the Company. During the year under review, there were no substantive changes in the Policy except to align the Policy with amendments made to applicable laws. The Policy is available on the website of the Company at <http://www.srusteels.in/pdfs/investor-policies/NRP.pdf>

### 16. Particulars of remuneration of Directors/ KMP/ Employees

Disclosure pertaining to the remuneration and other details as 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 attached as "Annexure-II", forming part of this report.

Further in 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-III" and forms part of this Report.

### 17. Evaluation of the Board's Performance

In terms of Companies Act, 2013 and SEBI Listing Regulations, there is requirement of formal evaluation by the Board of its own performance and that of its committees and individual directors.

The Board, in consultation with its Nomination and Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual directors, including Independent Directors. The framework is monitored, reviewed and updated by the

Board, in consultation with the Nomination and Remuneration Committee, based on need and new compliance requirements.

The Board of Directors have carried out the annual evaluation of its own performance, the Individual Directors including the Chairman as well as the evaluation of the working of its Committees. The evaluation of Board as a whole and Non-Independent Directors including Chairman was done by the Independent Directors in their meeting held on 10th March, 2023. The details of evaluation process of the Board, its Committees and individual directors, including independent directors have been provided under the Corporate Governance Report which forms part of this Report.

### 18. Director's Responsibility Statement

Pursuant to Section 134(3) (c) and Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby confirms and accepts the responsibility for the following in respect of the Audited Annual Accounts for the financial year ended March 31, 2023:

- a) That in the preparation of the annual accounts for the financial year ending 31st March, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) That the directors had selected the 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;
- e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- 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.

### 19. Auditors

#### i. Statutory Auditor and their Report

Pursuant to the provisions of Section 139 of the Act, and rules made thereunder, M/s. Agarwal Mahesh Kumar & Co, Chartered Accountants, Delhi (Firm Registration No. 014618N) were appointed as the Statutory Auditors of the Company for a period of five consecutive years, to hold the office from the conclusion of 24th Annual General Meeting up to the Conclusion of 29th Annual General Meeting held in the year 2024 at a remuneration as may be fixed by the Board of Directors or Audit Committee in consultation with the Auditors thereof.

Pursuant to Section 139 and 141 of the Act and relevant Rules prescribed there under, the Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the





Company.

The Audit report on the financial statement of the Company for the FY 2022-23 forms part of the Annual Report. There are no qualifications, reservations or adverse remarks or disclaimer made by M/s. Agarwal Mahesh Kumar & Co, Chartered Accountants, in their report for the financial year ended 31st March, 2023.

Pursuant to Section 134 (3) (ca) during the year under review, the Statutory Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee or the Board or Central Government under Section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this report..

## ii. Cost Auditors

In pursuant to Section 148(1) of the Companies Act, 2013 and rules and regulation made there under read with the Companies (Accounts Rules) Amendment Rules, 2018, Cost audit is not applicable to 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 as the secretarial auditor of the Company for the financial year ending 31<sup>st</sup> March, 2023.

The Secretarial Audit Report submitted by M/s Anand Nimesh & Associates, Company Secretaries in prescribed format in MR-3 to the shareholders of the Company is annexed to this Report as "Annexure-IV".

## iv. Internal Auditor

Pursuant to the provisions of the Section 138 of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the Board of Directors on recommendation of Audit Committee appointed M/s Goel Vikas & Co., Chartered Accountant as Internal Auditors of the company for the financial year 2022-23 and the report submitted by them was placed before the audit committee and Board of Directors.

It is hereby informed that Pursuant to the provisions of the Section 138 of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the Board of Directors on recommendation of Audit Committee appointed M/s Goel Vikas & Co., Chartered Accountant as Internal Auditors of the company for the financial year 2022-23 at such remuneration as fixed by Board in consultation with Audit Committee.

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

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the to the financial statements.

## 21. Particulars of contract or arrangements with related parties referred to in Section 188(1)

With reference to Section 134 (3)(h) of the Act, all the contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were approved by the Audit Committee and wherever required, also by the Board of Directors.

All related party transactions that were entered into during the financial year were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the SEBI Listing Regulations.

The disclosure of material related party transactions as required under Section 134(3) (h) of the Act in Form No. AOC-2 is annexed to this Report as "Annexure-V".

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/investor-policies/Policy-on-Related-Party-Transactions-2022.pdf>

All the related party transactions under Ind AS-24 have been disclosed at to the standalone financial statements forming part of this Annual Report.

A confirmation as to compliance of Related Party Transactions as per Listing Regulations is also sent to the Stock Exchanges along with the quarterly compliance report on Corporate Governance. Disclosure of related party transactions on a consolidated basis is also sent to the Stock Exchanges after publication of standalone financial results for the half year.

## 22. Internal Financial Control

According to Section 134 (5) (e) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014, 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

## 23. Risk Management Policy

Pursuant to the provisions of Section 134 (3) (n) of the Companies Act, 2013, the Company has put in place comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically. 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 like hood 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 at <http://srusteels.in/pdfs/investor-policies/Risk%20Management%20Policy.pdf>

## 24. 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 rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more Directors, out of which at least one director 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 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 has formed the Nomination and Remuneration Committee in accordance with the provisions of the Section 178 Companies Act 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. The details about the composition of the said committee of the Board of Directors along with attendance thereof have been provided in the Corporate Governance Report forming part of this report.

### (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 along with attendance thereof have been provided in the Corporate Governance Report forming part of this report.

## 25. Disclosure on Pubic 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. Managing the Risks of Fraud, Corruption and Unethical Business Practices

### Disclosure on Vigil Mechanism / Whistle Blower Policy

The Company has established a Vigil Mechanism/ Whistle blower Policy as a part of its vigil mechanism. The purpose of this Policy is to enable any person including the directors, employees, other stakeholders, etc. to raise concerns regarding unacceptable and improper practices and/or any unethical practices in the organization without the knowledge of the management.

All employees shall be protected from any adverse action for reporting any unacceptable or improper practice and/or any unethical practice, fraud or violation of any law, rule or regulation, potential or actual violation, leakage of unpublished price sensitive information without fear of reprisal.

The Company believes in the conduct of its affairs and its constituents by adopting the highest standards of professionalism, honesty, integrity, and ethical behavior, in line with the Code of Conduct ('Code'). All the stakeholders are encouraged to raise their concerns or make disclosures on being aware of any potential or actual violation of the Code, policies or the law. Periodic awareness sessions are also conducted for the same.

The Board has formulated policy on Vigil Mechanism/ Whistle blower Policy and the same may be accessed at the website of the Company i.e. <http://srusteels.in/pdfs/investor-policies/Policy%20on%20Vm%20&%20While%20Blowing.pdf>

## 27. Significant and material orders passed by the regulators or courts or tribunals impacting the going concerns status and company's operations in future

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which shall impact the going concern status and Company's operations in future.



## 28. Corporate Governance

Good Corporate practice is a norm at SRU Steels Limited. The Company is committed to focus on long term value creation and protecting stakeholders' interests by applying proper care, skill and diligence to business decisions. Besides complying with the legal framework of Corporate Governance Practices. 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.

## 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 zero tolerance for sexual harassment at workplace and had in place policy on Prevention, Prohibition and Redressal of Sexual Harassment for women at workplace in accordance with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder.

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (POSH Act) and Rules made thereunder, the Company has constituted Internal Committees (IC). Our POSH Policy is now inclusive and gender neutral, detailing the governance mechanisms for prevention of sexual harassment issues relating to employees across genders including employees who identify themselves with LGBTQI+ community. During the year, company has not received any sexual harassment complaints.

To build awareness in this area, the Company has been conducting induction/ refresher programmes in the organisation on a continuous basis. During the year, your Company organised offline training sessions on the topics of Gender Sensitisation and Code Policies including POSH for all office and factory-based employees.

## 31. Independent Director's familiarisation Programme

The Company has formulated a programme for familiarization of Independent Director with regard to roles, rights, responsibilities, nature of the industry in which the Company operates, the business model of the Company etc. The details of the Familiarization Programmes as conducted by the Company are available on the website of the Company at [www.srusteels.in](http://www.srusteels.in). However, during the year under review, there was no change in the nature of business of the company and its business vertical/structure/operational strategy, etc., which would have necessitated fresh Familiarization Programme for Independent Directors.

The details of familiarisation program may be accessed on the Company's website [http://srusteels.in/pdfs/investor-policies/Familiarisation %20 Programme % 20for %20Independent%20](http://srusteels.in/pdfs/investor-policies/Familiarisation%20Programme%20for%20Independent%20)

## Directors.pdf

## 32. Secretarial Standards

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

## 33. 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](http://www.srusteels.in)) has been created to help investors to know the policies and rights of investors.
- There is a dedicated e-mail id [srusteels@yahoo.in](mailto:srusteels@yahoo.in) for sending communications to the Company Secretary. Members may lodge their requests, complaints and suggestions on this e-mail as well.

## 34. Listing

The Company's equity shares are listed on BSE Limited ("BSE") having nation-wide trading terminals. Annual listing fee for the Financial Year 2023-24 have been paid to BSE.

## 35. General

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

- a) Details relating to deposits covered under Chapter V of the Act.
- b) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- c) The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- d) Any remuneration or commission received by Managing Director of the Company, from any of its subsidiary.
- e) During the period No fraud has been reported by the Auditors to the Audit Committee or the Board.
- f) There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- g) There was no instance of onetime settlement with any Bank or Financial Institution.

## 36. Appreciation

Your Company has been able to perform efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functions and areas as well as the efficient utilization of the Company's resources for sustainable and profitable growth.

The Directors hereby wish to place on record their appreciation of the efficient and loyal services rendered by each and every employee, without whose whole-hearted efforts, the overall satisfactory performance would not have been possible.



The Directors appreciate and value the contribution made by every member of the SRU STEELS family.

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

**Sd/-**

**Sd/-**

**Place: Delhi  
Date: 2nd September, 2023**

**Apoorv Agarwal  
Managing Director  
DIN: 02763242**

**Naresh Kumar Garg  
Chairman & Director  
DIN: 00986846**

**Annexure-I**

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, 2023

		Amount In Rs									
<b>A.</b>	<b>Conservation of Energy</b>										
(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>B.</b>	<b>Technology absorption</b>										
(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									
	<b>Note:</b> 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.										
<b>C.</b>	<b>Foreign Exchange Earning and outgo</b>										
	The company does not have any export sale, hence the respective point is not applicable.										
	<table> <tr> <th>Particulars</th><th>Financial Year ended 31st March, 2022</th><th>Financial Year ended 31st March, 2021</th></tr> <tr> <td>Foreign Exchange Earned</td><td>Nil</td><td>Nil</td></tr> <tr> <td>Foreign Exchange used</td><td>Nil</td><td>Nil</td></tr> </table>	Particulars	Financial Year ended 31st March, 2022	Financial Year ended 31st March, 2021	Foreign Exchange Earned	Nil	Nil	Foreign Exchange used	Nil	Nil	
Particulars	Financial Year ended 31st March, 2022	Financial Year ended 31st March, 2021									
Foreign Exchange Earned	Nil	Nil									
Foreign Exchange used	Nil	Nil									

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

Sd/-

Sd/-

Place: Delhi  
Date: 02nd September, 2023

Apoorv Agarwal  
Managing Director  
DIN: 02763242

Naresh Kumar Garg  
Chairman & Director  
DIN: 00986846

## Annexure-II

## 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)	<b>the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;</b>	
	<b>Non - Executive Directors</b>	<b>Ratio of Median Remuneration</b>
	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 Singla, Director	-
	<b>Executive Directors</b>	
	Mr. Apoorv Agarwal, Managing Director	3.26
	Note: Mr. Naresh Kumar Garg, Chairman does not receive any remuneration or sitting fee from the Company.	
(b)	<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;</b>	
	<b>Name of Person</b>	<b>% Increase in remuneration</b>
	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 Singla, Director	-
	Mr. Apoorv Agarwal, Managing Director	-
	Mr. Hitesh Laxmikant Somani, CFO	-
	Mr. Deepak, Company Secretary*	-
	# Mr. Deepak has resigned as Company Secretary of the Company w.e.f. 05th November, 2022	
(c)	<b>the percentage increase in the median remuneration of employees in the financial year: -8.88%</b>	
(d)	<b>the number of permanent employees on the rolls of company: 11</b>	
(e)	<b>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</b>	
	The average increase in salaries of employees other than managerial personnel in 2022-23 was 6.14% as compared to average increase in managerial remuneration which is -24.85%.	
(f)	The Company hereby affirm that the remuneration is as per the remuneration policy of the Company	

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

Sd/-

Sd/-

Place: Delhi  
Date: 02nd September, 2023

Apoorv Agarwal  
Managing Director  
DIN: 02763242

Naresh Kumar Garg  
Chairman & Director  
DIN: 00986846



**Annexure -III**

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, 2023

(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	Apoorv Agarwal	Managing Director	9,00,000	Permanent	8	11/02/2021	32	Nil	3.53	Yes <sup>^</sup>
2	Ramesh Roshanlal Agarwal	Employee	9,00,000	Permanent	55	05/08/1995	69	Nil	Nil	No
3	Arpit Agarwal	Employee	6,00,000	Permanent	6	11/02/2021	30	Nil	Nil	Yes <sup>^</sup>
4	Ms. Deepak <sup>*</sup>	Employee	2,15,600	Permanent	2.6	26/12/2019	27	Nil	Nil	No
5	Mr. Mukesh Kasana	Employee	7,20,000	Permanent	10	02/02/2016	30	Nil	Nil	No
6	Mr. Hitesh Somani	Employee	2,76,000	Permanent	29	23/06/2014	44	Nil	Nil	No
7	Mr. Satesh Kishan Gavli	Employee	1,95,000	Permanent	10	01/04/2018	35	Yes	Nil	No
8	Mr. Mohd Taiyab Shaikh	Employee	2,50,000	Permanent	10	01/12/2021	37	Yes	Nil	No
9	Mr. Prem Kumar Chaudhary	Employee	2,99,000	Permanent	12	01/04/2020	52	Yes	Nil	No
10	Ms. Parmeshwar Chaudhary	Employee	1,95,000	Permanent	8	01/11/2018	30	Yes	Nil	No
11	Mr. Saminder Charnaswar	Employee	2,60,000	Permanent	11	01/12/2021	39	Yes	Nil	No

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

(C) (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:

\* Mr. Deepak Kumar has resigned from the post of Company Secretary w.e.f. 05th November, 2022

<sup>^</sup> Mr. Apoorv Agarwal (Managing Director), Mr. Arpit Agarwal (Chief Executive Officer) and Mr. Richa Singla (Non-Executive Director) are brother and sister

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

Sd/-

Sd/-

Place: Delhi  
Date: 02nd September, 2023

Apoorv Agarwal  
Managing Director  
DIN: 02763242

Naresh Kumar Garg  
Chairman & Director  
DIN: 00986846

## Annexure-IV

## FORM MR-3

## SECRETARIAL AUDIT REPORT

(For the financial year ended 31st March 2023)

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

To,

**The 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 Company's 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 covering the financial year ended on 31st Day of March 2023, (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 2023, 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. There was no External Commercial Borrowings by the Company during the period under the review;
- 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, 2018; (**Not applicable during audit period**)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 (**Not applicable during audit period**)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021 (with effect from 16th August, 2021; (**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) Regulations, 2021 (**Not applicable to the Company during audit period**)
  - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulation, 2018; (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 with respect to the Board and General Meetings.
- (ii) The Listing Agreement entered into by the Company with the BSE Limited (BSE) read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 is given to all directors 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

All 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 except following observation

**We further report that, during the audit period:-**

1. Mr. Anand Kumar Agarwal has been appointed as the Non-Executive Independent Director on the Board of the Company with effect from 07th February, 2023 during the period under review.
2. Mr. Surendra Deepchand Sharma (DIN: 03539486) has been appointed as Mr. as Non-Executive Independent Director of the Company for a period of five consecutive years starting from 10th March, 2023 to 09th March, 2028 during the period under review.
3. Mr. Harshit Ambrish Shah (DIN: 03133614) as Non-Executive Independent Director of the Company for a period of five consecutive years starting from 10th March, 2023 to 09th March, 2028 during the period under review.

**Note:**

1. 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.

4. During the year Mr. Deepak has resigned as a Company Secretary of the Company with effect from 05th November, 2022 during the period under review.
5. Ms. Shallu Garg has been appointed as Company Secretary and Compliance Officer with effect from 27th March, 2023 during the period under review.

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

**ANAND KUMAR SINGH  
(Partner)**

**M. No : F10812**

**CP No : 9404**

**UDIN : F010812E000805485**

**Date: 16/08/2023**

**Place: New Delhi**

**'ANNEXURE A'**

To,  
The Member  
**SRU Steels Limited**  
**(CIN- L17300DL1995PLC107286)**  
A-48, 1<sup>st</sup> 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 random 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. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random 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)**

**ANAND KUMAR SINGH**  
**(Partner)**

**M. No : F10812**

**CP No : 9404**

**UDIN: F010812E000805485**

**Date: 16/08/2023**

**Place: New Delhi**



**Annexure-V****FORMAOC - 2**

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

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

**1. Details of Contracts or Arrangements or Transactions not at Arm's length basis:**

There were no contracts or arrangements or transactions entered into during the year ended 31<sup>st</sup> March, 2023 which were not on arm's length basis.

**2. Details of Material Contracts or Arrangements or Transactions at Arm's length basis:**

S. No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	Anant Overseas Private Limited (other related party)
b.	Nature of contracts /arrangements /transactions	Sale, Purchase or Supply of stainless steels and such other steel product
c.	Duration of the contracts /arrangements/transactions	F.Y. 2021-22 to 2023-24
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	sale, purchase or supply of stainless steels and such other steel product on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of Rs. 50 Crore (Rupees Fifty Crore Only) per financial year for a period of 3 (three) financial year, commencing from the financial year 2021-22 and up to and including the financial year 2023-24
e.	Date of approval by the Board /Date of approval by the Shareholders	15thDecember,2021/21st January,2022
f.	Amount paid as advances, if any	N.A.

Definition of the term 'Material Contracts or Arrangements or Transactions' is taken as per Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sd/-

Sd/-

Place: Delhi  
Date: 02nd September, 2023

**Apoorv Agarwal**  
Managing Director  
DIN: 02763242

**Naresh Kumar Garg**  
Chairman & Director  
DIN: 00986846

## Corporate Governance Report

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

### 1. Corporate Governance: Philosophy

Corporate Governance is the creation and enhancement of long-term sustainable value for our stakeholders, comprising regulators, employees, customers, vendors, investors, and the society at large, through ethically driven business practices. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from its culture and ethos. At SRU Steels, it is imperative that our Company's affairs are managed in a fair and transparent manner.

We ensure that we evolve and follow not just the stated corporate governance guidelines, but also the best practices. We consider it our inherent responsibility to protect the rights of our shareholders and disclose timely, adequate and accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

The Company's philosophy of Corporate Governance aims to maximize long-term stakeholders value. It is a combination of many factors to achieve the objectives of transparency, full disclosure, a system of checks and balances between the Shareholders, Directors, Auditors and the Management. Integrity and transparency are key to our corporate governance practices and performance, and ensure that Company gain and retain the trust of our stakeholders at all times.

The Board is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of Regulation 46(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as applicable, with regard to corporate governance.

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. CODE OF CONDUCT

The Company has 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 Fair Disclosure of Unpublished Price Sensitive

Information, are available on the Company's website at [www.srusteels.in](http://www.srusteels.in). The company has received confirmation from the Senior Management Personnel regarding compliance of code of conduct during the period under the review.

### 3. BOARD OF DIRECTORS

Our Company is a professionally managed company functioning under the overall supervision of the Board. The Board has ultimate responsibility for the development of strategy, management, general affairs, direction, performance and long-term success of business as a whole. The Chairman leads the Board and is responsible for its overall effectiveness. The Chairman sets the Board Agenda, ensures the Directors receive accurate, timely and clear information, promotes and facilitates constructive relationships and effective contribution of all Executive and Non-Executive Directors, and promotes a culture of openness and debate. The Independent Directors provide constructive challenge, strategic guidance, specialist advice and hold management to account. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance.

The Board of Directors, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholders' value.

#### A. COMPOSITION OF BOARD:

The Board of your Company comprises highly experienced persons of repute, eminence and has a good and diverse mix of Executive and Non-Executive Directors with majority of the Board members comprising Independent Directors including Independent Women Directors. The Board composition is in conformity with the applicable provisions of Companies Act, 2013 (the Act) and Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as amended from time to time. Detailed profile of the Director of the Company is available at [http://srusteels.in/aboutus\\_board\\_of\\_directors.html](http://srusteels.in/aboutus_board_of_directors.html)

The Board composition of your Company as on 31st March, 2023 comprises of (8) Eight directors out of which Seven (7) Non-Executive Directors including the Chairman of the Board and One (1) is Executive Director designated as Managing Director.

Out of the above Seven (7) Non-Executive Directors, (5) Five are Independent Directors who have been appointed for their professional expertise and experience that they possess.

The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board as part of its succession planning exercise, periodically reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company.

The number of Directorship(s), Committee Membership(s),



Chairmanship(s) of all the Directors is within respective limits prescribed under the Act and Listing Regulations as amended from time to time. The Managing Director does not serve as an Independent Director in any Listed Company.

Further as mandated Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the directors on the Board is a member of more than 10 (ten) committee or hold offices as a Chairman of more than 5 (five) Committees (Committee being Audit Committee and Stakeholder Relationship Committee as per Regulation 26 (1) (b) of SEBI (Listing Obligation and Disclosure Requirement Regulation, 2015) across all the public companies in which he/she is a Director. The necessary disclosures regarding the committee composition have been made to all the directors.

None of the Directors on the Board:

- holds directorships in more than ten public companies;
- serves as Director or as independent directors in more than seven listed entities; and
- who are the Executive Directors serve as independent directors in more than three listed entities.

During the year under the review Mr. Pankaj Jain (DIN: 01234804) stepped down as the Independent Director of the company with effect from 07th September, 2022. The Board places on record its appreciation for the leadership and invaluable contribution made by Mr. Pankaj Jain (DIN: 01234804) his tenure as a Non-Executive Independent Director and Member of Audit Committee, NRC Committee and Stakeholders relationship Committee of the Company.

During the year under the review Mr. Prem Prakash Agarwal (DIN: 00081871) Non-Executive Independent Director of the Company has also stepped down with effect from 07th February, 2023 from the Board of the Company. The Board places on record its appreciation for the leadership and invaluable contribution made by Mr. Prem Prakash Agarwal (DIN: 00081871) his tenure as a Non-Executive Independent Director and Member of Audit Committee, NRC Committee and Stakeholders relationship Committee of the Company.

The Board on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Mr. Anand Kumar Agarwal (DIN: 02459795) as a Non- Executive Independent Director and the member of Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee with effect from 07th February, 2023 for a period of Five year from 07th February, 2023 to 06th February, 2028.

During the year, based on the recommendation of Nomination and Remuneration committee, the Board also approved the appointment of Mr. Surendra Deepchand Sharma (DIN: 03539486) and Mr. Harshit Ambrish Shah (DIN: 03133614) as a Non-Executive Independent Director with effect from 10th March 2023 for a period of five years from 10th March, 2023 to 09th March, 2028.

The detailed composition and category of the Directors as on 31.03.2023 is as follows:

The detailed composition and category of the Directors as on 31.03.2022 is as follows:

Name & DIN of the Director	DIN	Designation	Category
Mr. Naresh Kumar Garg	00986846	Chairman	Non-Executive Director
Mr. Apoorv Agarwal	02763242	Managing Director	Executive Director
Mr. Rajiv Mittal	00082115	Director	Non-Executive Independent Director
Mr. Anand Kumar Agarwal	02600539	Director	Non-Executive Independent Director
Mr. Harshit Ambrish Shah	03133614	Director	Non-Executive Independent Director
Mr. Surendra Deepchand Sharma	03539486	Director	Non- Executive Independent Director
Mr. Ashok Kumar Mahawar	02600539	Director	Non-Executive Independent Director
Mrs. Richa Singla	00082722	Director	Non-Executive Director

As per the provisions of Regulation 17 of Listing Regulations, approval of Shareholders, for appointment of Directors on the Board shall be taken either at the next General Meeting or within a time period of three months from the date of appointment, whichever is earlier. Therefore the company has approved the appointment of Mr. Anand Kumar Agarwal (DIN: 02600539), Mr. Harshit Ambrish Shah (DIN: 03133614) and Mr. Surendra Deepchand Sharma (DIN: 03539486) as Non- Executive Independent Director by the shareholders of the Company by passing the resolution by the means of postal ballot on 14th April, 2023.

#### B. DETAILS OF ATTENDANCE OF DIRECTORS AT THE BOARD MEETING & LAST AGM

Sr. No	Name of the Directors	Category of Directorship	No. of Board Meetings Attended	Attendance at last AGM	Number of Directorships in other Companies	Committee Membership and Chairmanship in other Public Ltd. Co.	Shareholding in the Company	No. of shares held (as at March 31, 2022)
1.	Mr. Naresh Kumar Garg	Chairman - Non-Executive Director	08	Yes	0	NIL	NIL	NIL
2.	Mr. Apoorv Agarwal	Managing Director- Executive Director	08	Yes	0	NIL	Yes	2,82,200

3.	Mr. Rajiv Mittal	Non-Executive & Independent Director	08	Yes	0	NIL	NIL	NIL
4.	Mr. Prem Prakash Agarwal	Non-Executive & Independent Director	06	Yes	0	NIL	Yes	36400
5.	Mr. Pankaj Jain	Non-Executive & Independent Director	02	No*	0	NIL	NIL	NIL
6.	Mr. Ashok Kumar Mahawar	Non-Executive & Independent Director	08	Yes	0	NIL	Yes	29000
7.	Mrs. Richa Singla	Non-Executive Director	08	Yes	0	NIL	NIL	NIL
8.	Mr. Harshit Ambrish Shah	Non-Executive & Independent Director	01	N/A	0	NIL	NIL	NIL
9.	Mr. Anand Kumar Agarwal	Non-Executive & Independent Director	03	N/A	10	NIL	NIL	NIL

\* Resigned from the Directorship with effect from 07th September, 2022.

# Appointed on the Board of Director after the date of AGM.

#### C. BOARD MEETING

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

During the financial year 2022-23, the members of the Board met 8 (Eight) 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 2022- June 2022	May 30, 2022
July 2022 - September 2022	August 12, 2022 September 16, 2022 September 20, 2022
October 2022- December 2022	November 14, 2022
January 2023- March 2023	February 07, 2023 March 10, 2023 March 27, 2023

The necessary quorum was present at all the Board 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 Board meeting was held via video conferencing.

#### D. D.APPOINTMENT AND TENURE

A 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.

The Directors of the Company are appointed/re- appointed by the Board on the recommendation of the Nomination and Remuneration Committee and approval of the Shareholders

through means of Postal Ballot. In accordance with the Articles of Association of the Company and provisions of the Act, all the Directors, except the Managing Director and Independent Directors, of the Company, are liable to retire by rotation at the Annual General Meeting (AGM) each year and, if eligible, offer their candidature for re-appointment. The Board of Directors on the Board have been appointed as per the provisions of the Act and serve in accordance with the terms of employment with the Company.

Necessary disclosures regarding Committee positions in other public companies as on March 31, 2023 have been made by the Directors. None of the Directors is related to each other except Mr. Apoorv Agarwal, Managing Director, Mrs. Richa Singla, Director and Mr. Arpit Agarwal, Chief Executive Officer.

#### D. BOARD MEMBERSHIP CRITERIA AND LIST OF CORE SKILLS/ EXPERTISE/COMPETENCIES IDENTIFIED IN THE CONTEXT OF THE BUSINESS:

The Board of Directors are collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows a defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

- composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a Listed Company;
- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive
- Directors consistent with the requirements of law;
- professional qualifications, expertise and experience in specific area of relevance to the Company;



- balance of skills and expertise in view of the objectives and activities of the Company;
- avoidance of any present or potential conflict of interest
- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, responsibility, respect and pioneering mindset.

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:

KEY SKILLS AND ITS DESCRIPTION	Area Essentials	SURENDRA DEEPCHAND SHARMA	RAJIV RAMCHANDRA MITTAL	RICHA SINGLA	APOORV AGRWAL	NARESH KUMAR GARG	HARSHIT AMBRISH SHAH	ASHOK KUMAR MAHAWAR	ANAND KUMAR AGARWAL
<b>Leadership experience in running large entities</b>	Experience in leading well-governed large organisations, with an understanding of organisational systems and processes, complex business and regulatory environment, strategic planning and risk management, understanding of emerging local and global trends and management of accountability and performance	Y	Y	Y	Y	Y	Y	Y	Y
<b>Experience of crafting business strategies</b>	Experience in developing long term strategies to grow business consistently, profitably, competitively and in a sustainable manner in diverse business environments and changing economic conditions.	-	-	-	Y	-	-	-	-
<b>Finance &amp; Accounting</b>	Leadership experience in handling financial management of the organization along with an understanding of accounting and financial statements	Y	Y	-	Y	-	Y	-	-
<b>Industry Skills</b>	Knowledge of the steel industry the products and the market	Y	Y	Y	Y	Y	Y	Y	Y
<b>Law and Policies</b>	Expert knowledge of Corporate Law	Y	Y	-	-	-	Y	Y	Y
<b>Administration &amp; Public Relations</b>	Good understanding of working culture with Govt. Organizations	Y	Y	Y	Y	Y	Y	Y	Y
<b>Experience of large companies and understanding of the changing regulatory landscape</b>	Experience of having served in large public companies in diverse industries to provide Board oversight to all dimensions of business and Board accountability, high governance standards with an understanding of changing regulatory framework.	Y	Y	Y	Y	Y	Y	Y	Y



**F. DISCLOSURE OF RELATIONSHIP OF DIRECTOR**

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

Mr. Apoorv Agarwal, Managing Director, Mr. Arpit Agarwal, Chief Executive Officer and Mrs. Richa Singla, Non-Executive Director are brother and sister. Except the above none of the Directors is related to each other and there are no inter se relationships between the Directors.

The Company has not issued any convertible instruments; hence, disclosure in this respect is not applicable.

**G. Independent Director**

All the Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with Section 149 of the Companies Act, 2013, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. The maximum tenure of the Independent Director is in compliance with the Act.

Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

**i. Terms and conditions of appointment of Independent Directors**

The Company currently has 4 Non-Executive Independent Directors. All Independent Directors of the Company have been appointed as per the provisions of the Act and the SEBI Listing Regulations. Formal letters of appointment have been issued to Independent Directors. As required by Regulation 46 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the terms and conditions of their appointment are disclosed on the Company's website at [www.srusteels.in](http://www.srusteels.in).

In the opinion of the Board, the Independent Directors fulfill the conditions of independence specified in the Act and the SEBI Listing Regulations and are independent of the management.

**ii. Separate Meeting of Independent Directors**

In terms of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 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 07th February, 2023, without the presence of Non-Independent Director and members of management, to review the performance of Non-Independent Directors and the Board as whole, review the performance of the Chairman of the Company and has assessed the quality, quantity and timelines of flow of information between the Company Management and the Board.

The Independent Directors inter alia discuss the issues arising out of the Committee Meetings and Board discussion including the quality, quantity and timely flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. In addition to these formal meetings, interactions outside the Board Meetings also take place between the Chairman and Independent Directors.

The Meeting was attended by all the Independent Director as on that date

**iii. Familiarization programmes for the Independent Director**

Your Company has formulated Familiarization Programme for all the Independent Directors 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 for the purpose of contributing significantly towards the growth of the Company.

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.

Pursuant to Regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 details of familiarization programme may be accessed on the Company's website at <http://srusteels.in/pdfs/investorolicies/Familiarisation%20Programme%20for%20Independent%20Directors.pdf>

**H. INFORMATION PRESENTED AT MEETINGS**

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

- a) Quarterly and annual result announcements;



- b) Oversight of the performance of the business;
- c) Board succession planning;
- d) Review of the functioning of the Committees and
- e) Other strategic, transactional and governance matters as required under the Companies Act, 2013, Listing Regulations and other applicable legislations.

#### I. 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 Requirement) Regulation, 2015 is regularly provided to the Board as a part of the Board Meeting agenda well in advance of the Board meetings along with comprehensive background information on the items in the agenda to enable the Board to arrive at appropriate decisions. In addition, the Board is kept informed of all major events, including information listed under Part A of Schedule II to the SEBI Listing Regulations.

Based on the agenda, members of the senior leadership are invited to attend the Board Meetings, which brings in requisite accountability and provides developmental inputs.

#### J. 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.

#### K. Evaluation of performance of the Board, its committees and Individual Directors

As required under Section 134 (3) (p) of the Companies Act, 2013, and regulation 17 (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 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.

Further, the performance of the Board, its Committees 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.

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 evaluated 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.

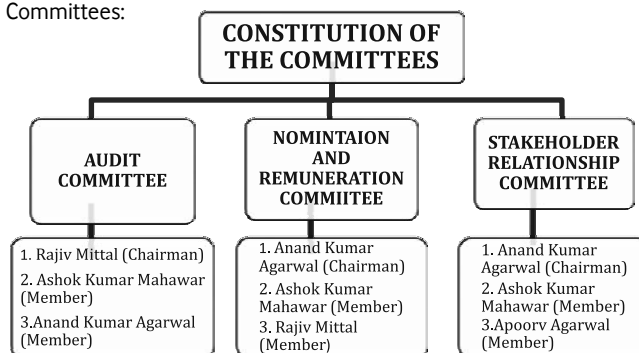
The Board of Directors assessed the performance of the Board as whole and committees of the Company based on the parameters which amongst other included structure of the Board, including qualification, expectance and competency of the Directors, diversity of the Board and process of appointment; Meeting 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.

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.

#### 4. Committees of the Board

The Board Committees play a crucial role in the Governance Structure of the Company and have been constituted to deal with specific areas/ activities as mandated by applicable regulations, which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as part of good governance practices. The Chairperson of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the Meeting of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the Meeting, as appropriate.

As on 31st March, 2023, the Board has constituted the following Committees:



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.

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.

#### i. 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 Requirement) Regulation, 2015 entered into with the Stock Exchange(s) read with Section 177 of the Companies Act, 2013 ("Act").

##### a) Terms of Reference of Audit Committee

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations.



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 Audit Committee ensures that it has reviewed each area that it is required to review under its terms of reference and under applicable legislations or by way of good practice. This periodic review ensures that all areas within the scope of the Committee are reviewed.

The terms of reference of Audit Committee are as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 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:

Activities of the Committee during the year	Frequency
Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible	
Reviewing and examining with Management the quarterly and annual financial results and the Limited Review/Auditor's Report thereon before submission to the Board for approval	

Reviewing management discussion and analysis of financial condition and results of operations	
Recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services	
Reviewing and monitoring the Statutory Auditor's independence and performance and effectiveness of audit process	
Reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company	
Reviewing the adequacy of internal audit function and the findings of any internal investigations by the internal auditors	
Reviewing management letters/letters of internal control weaknesses issued by the Statutory Auditors	
Evaluating internal financial controls and risk management systems	
Verifying that the systems for internal controls for compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 are adequate and are operating effectively	
Reviewing the functioning of the Code of Business Principles and Vigil Mechanism	
Scrutiny of Inter-corporate loans and investments.	
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.	
Carrying out any other function as mentioned in terms of reference of the Audit Committee.	

Annually= 

Quarterly = 

Periodically = 

All the items listed in Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulation are covered in terms of reference of the Audit Committee, directly or indirectly.

Further, pursuant to Regulation 18(2) (c) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Audit Committee is empowered to investigate any activity within its terms of reference, seek information it requires from any employee, obtain outside legal or other independent professional advice and secure attendance of outsiders with relevant expertise, if considered necessary.

Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

b) **Composition & Qualification of Audit Committee**

Name	Category of Directorship	Designation in Audit Committee	Qualification & Experience	No. of Meetings Attended
Mr Rajiv Mittal	Non-Executive & Independent Director	Chairman	Rajeev Mittal, the director of SRU Steels Limited brings with him a tremendous amount of knowledge, experience, foresight and vision. He is graduate and having years of experience in varied fields.	04
Mr Ashok Kumar Mahawar	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.	04
Mr Anand Kumar Agarwal	Non-Executive & Independent Director	Member	He is an Independent Director of the Company. He holds a Degree of Bachelor in Commerce from Calcutta University. He is having a wide knowledge of Stainless Steel.	01

- Pursuant to the resignation of Mr. Pankaj Jain on 07th September, 2022, Committee was reconstituted and Mr. Ashok Kumar Mahawar was appointed as the member of Committee w.e.f 16th September, 2022
- Pursuant to the resignation of Mr. Prem Prakash Agarwal, Committee was reconstituted and Mr. Anand Kumar Agarwal was appointed as the member of Committee w.e.f. 07th February, 2023

c) **Meetings of Audit Committee**

During the financial year 2022-2023, Four (4) meetings of Audit Committee were held:

Quarter	Date of Meeting	Number of Members Present	Number of Independent Directors Present
April 2022 - June 2022	May 30, 2022	03	03
July 2022 - September 2022	August 12, 2022	03	03
October 2022 - December 2022	November 14, 2022	03	03
January 2023 - March 2023	February 07, 2023	03	03

\* Mr. Deepak Kumar, Company Secretary was acting as the Secretary to the Audit Committee. However, he has resigned from the office on 05th November, 2022.

ii. **Nomination & Remuneration Committee**

The Nomination and Remuneration Committee ("NRC") function in accordance with Section 178 of the Companies Act, 2013, read with rules framed thereunder and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.


The NRC is responsible for evaluating the balance skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and for both internal and external appointment including Managing Director.

Further, the Committee is also responsible for formulating policies as to remuneration, performance evaluation, Board diversity, etc. in line with the Act and the SEBI Listing Regulations.


a. **Key terms of reference of the committee are:**

The roles and responsibilities of the Committee covers the area as specified in the Listing Regulations, Companies Act, 2013 and other applicable laws, if any, besides other role and powers entrusted upon it by the Board of Directors from time to time. The roles and responsibilities of the Committee include the following:

Activities of the Committee during the year	Frequency
Determine/recommend the criteria for appointment of Directors, Members of Management Committee and Key Managerial Personnel	●
Identify candidates who are qualified to become Directors and who may be appointed as the member of the Committees, or as a Key Managerial Personnel	●
Evaluate the balance of skills, knowledge and experience on the Board and prepare a description of the role and capabilities required for Independent Director(s)	●
Review and determine all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonuses, stock options, pension, etc.	●
Ensure succession planning (including the development of a diverse pipeline for succession) to the Board and the leadership development plans to enhance such succession planning	●
Recommend to the Board, all remunerations, in whatever form, payable to Senior Management	■

Review, appraise and approve such other matter(s) as the board may recommend to it	
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Periodically = 

Annually = 

**b. Composition of Nomination & Remuneration Committee:**

Name	Category of Directorship	Designation in Committee
Mr Anand Kumar Agarwal	Non-Executive & Independent Director	Chairman
Mr Ashok Kumar Mahawar	Non-Executive & Independent Director	Member
Mr. Rajiv Mittal	Non-Executive & Independent Director	Member

Seven (7) meeting of the Committee were held during the year under the review and the same were attended by all the members of Committee.

- Pursuant to the Resignation of Mr. Pankaj Jain on 07th September, 2022 the committee was reconstituted and Mr. Rajiv Mittal was appointed as the member of the committee w.e.f. 16th September, 2022.
- Pursuant to the resignation of Mr. Prem Prakash Agarwal, the committee was reconstituted w.e.f. 07th February, 2023 and Mr. Anand Kumar Agarwal was appointed as the member of the Committee w.e.f. 07th February, 2023.

**c. Dates & number of meetings of Nomination and Remuneration Committee held during the year under member's attendance thereon:**

Quarters	Date of Meeting	Members Present	Number & Name of Directors Absent
April 2022 - June 2022	May 30, 2022	03	Nil
July 2022 - September 2022	August 12, 2022	03	Nil
	September 16, 2022	03	Nil
October 2022 - December 2022	November 14, 2022	03	Nil
January 2023 - March 2023	February 07, 2023	03	Nil
	March 10, 2023	03	Nil
	March 27, 2023	03	Nil

**d. Performance evaluation criteria for independent directors**

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, commitment to his/her role towards the company and various stakeholders, willingness to devote time and efforts towards his/her role, high ethical standards, adherence to applicable codes and policies, effective participation and application of objective independent judgment during meetings, integrity and maintenance of confidentiality and independence of behaviour and judgment. etc.

On the basis of performance evaluation of Independent Directors, it is determined whether to extend or continue their term of appointment, whenever their respective term expires.

**e. Policy on Board Diversity**

Pursuant to the provisions of the Companies Act, 2013 and under SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 the Nomination and Remuneration Committee (NRC) of the Company provides a framework for ensuring diversity of the Board members based on factors, such as gender, age, qualifications, professional experience, expertise, skills and ability to add value to the business

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 background

**iii. Stakeholders' Relationship Committee**

In compliance with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the stakeholder Relationship Committee (SRC) looks into various aspects of interest of stakeholders.

The role of Stakeholders' Relationship Committee includes resolving the grievances of Shareholders, ensuring expeditious share transfer process in line with the proceedings of the Share Transfer Committee, evaluating performance and service standards of the Registrar and Share Transfer Agent (RTA) of the Company.





The Committee has periodic interactions with the representatives of the RTA of the Company. Over the last few years, SEBI, the capital market regulator has issued guidelines and undertaken a number of measures for raising industry standards for RTA to facilitate effective shareholder service. In order to ensure compliance with various guidelines and measures issued by SEBI to improve investor services, the Committee invites the representatives of the RTA to join the Committee Meeting for sharing an update on the steps and actions taken by them. The Committee also invites Shareholders for interactions during the meeting to get a direct feedback on investor service.

The Committee ensures cordial investor relation and oversees the mechanism for redressal of investor's grievances. The term of references shall inter alia include: :

- 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.
- Monitor expeditious redressal of Investors' grievances;
- Consider all matters related to all security holders of the Company
- 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 2022-23, the Committee met on June 10, 2022, September 16, 2022, November 14, 2022, and March 10, 2023 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 Apoorv Agarwal	Executive Director	Member
Mr Prem Prakash Agarwal	Non-Executive & Independent Director	Member
Mr. Anand Kumar Agarwal		

- Due to the resignation of Mr. Pankaj Jain as on 07th September, 2022, the committee has been reconstituted and Mr. Ashok Kumar Mahawar was appointed as Member w.e.f. 16th September, 2022
- Due to the resignation of Mr. Prem Prakash Agarwal, the committee has been reconstituted and Mr. Anand Kumar Agarwal has been appointed as member of the Stakeholder committee w.e.f. 07th February, 2023.

b) **Name and designation of Compliance Officer**

Ms Shallu Garg

Company Secretary & Compliance Officer,  
SRU Steels Limited

A-48, 1st Floor, Wazirpur Industrial Area Delhi-110052

Ph. No: 011-27373622

Email Id: srusteels@yahoo.in

c) **Status of Investor Complaint**

Status of Investor Complaint as on March 31, 2023 as reported under Regulation 13(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 is as under:

<b>Compliant pending as on April 01, 2022</b>	Nil
<b>Received during the year</b>	Nil
<b>Resolved during the year</b>	Nil
<b>Pending as on March 31, 2023</b>	Nil

5. **Senior Management:**

During the year under the review there has been changed in the position of Company Secretary being the Key Managerial Personnel of the Company.

Mr. Deepak Kumar has resigned from the office of Company Secretary and Compliance Officer of the Company w.e.f. 05th November, 2022.

Other than the above there has been no change in the senior management personnel excluding the Board of Director of the Company.

**6. Remuneration Policy:**

Pursuant to the provisions of the Companies Act, 2013 and under the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the remuneration policy is framed and adopted. Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and requires employee mobility to address project needs.

The remuneration policy supports such mobility through pay models that are compliant to local regulations. In each country where the Company operates, the remuneration structure is tailored to the regulations, practices and benchmarks prevalent in the IT industry.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, decides the commission payable to the Managing Director and the Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Act, based on the Board evaluation process considering the criteria such as the performance of the Company as well as that of the Managing Director and each Executive Director.

The Broad objectives of the Policy are:

- Pursuant to the provisions of the Companies Act, 2013 and under the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the remuneration policy is framed and adopted.
- Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and requires employee mobility to address project needs.
- The remuneration policy supports such mobility through pay models that are compliant to local regulations. In each country where the Company operates, the remuneration structure is tailored to the regulations, practices and benchmarks prevalent in the IT industry.
- The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, decides the commission payable to the Managing Director and the Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Act, based on the Board evaluation process considering the criteria such as the performance of the Company as well as that of the Managing

Director and each Executive Director.

- weightage to the skills, experience and business acumen of the directorship candidatures.

**Particulars of Directors' Remuneration during the financial year 2022-23:**

The details of remuneration paid to the Directors during the year ended March 31, 2023 are given below:

Directors	Salary (₹)	Perquisites (₹)	Sitting Fees (₹)	Total (₹)
Mr. Apoorv Agarwal (MD)	9,00,000	-	-	9,00,000
Mr. Anand Kumar Agarwal	-	-	-	-
Mr. Harshit Ambrish Shah	-	-	-	-
Mr. Naresh Kumar Garg	-	-	-	-
Mr. Rajiv Mittal	-	-	-	-
Mr. Ashok Kumar Mahawar	-	-	-	-
Ms. Richa Singla	-	-	-	-
Mr. Surendra Deepchand Sharma	-	-	-	-
<b>Total</b>	<b>9,00,000</b>	<b>-</b>	<b>-</b>	<b>9,00,000</b>

Remuneration of the Executive Directors consists of a fixed component and a variable performance incentive. The Nomination and Remuneration Committee makes annual appraisal of the performance of the Executive Directors based on a detailed performance evaluation, and recommends the remuneration payable to them, within the parameters approved by the shareholders, to the Board for their approval.

As per the term of appointment, the notice period of directors is of three months.

Further, the Non-Executive Directors and Independent Directors are not entitled to any stock options.

**7. General Body Meetings:**

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

**a) Annual General Meetings:**

AGM	Year	Date, Day and Time	Venue	Brief Description of Special Resolution
27th	2021-22	26th September, 2022	Through Video Conferencing (VC)/Other Audio Visual Means (OAVM) deemed venue registered office of the Company	No Special Resolution was passed in the meeting
26th	2020-21	30th September, 2021 at 2:00 P.M.	Through Video Conferencing (VC)/Other Audio Visual Means (OAVM) deemed venue registered office of the Company	No Special Resolution was passed in the meeting
25th	2019-20	30th September, 2020 at 2:30 P.M.	Through Video Conferencing (VC)/Other Audio Visual Means (OAVM) deemed venue registered office of the Company	No Special Resolution was passed in the meeting

b) **Postal Ballot**

During FY 2022-23, the Company sought the approval of the shareholders by way of postal ballot, through notice dated 10th March, 2023, on the following Resolution(s):

S. No.	Description of Resolution
1.	Appointment of Mr. Harshit Ambrish Shah (DIN: 03133614) as an Independent Director for a period of 05 (Five) Consecutive years
2.	Appointment of Mr. Surendra Deepchand Sharma (DIN: 03539486) as an Independent Director for a period of 05 (Five) Consecutive years
3.	Increase in the Authorised Share Capital of the Company
4.	To Approve the issue of bonus shares
5.	Appointment of Mr. Anand Kumar Agarwal (DIN: 02459795) as an Independent Director for a period of 05 (Five) Consecutive years

The details of e-voting on the aforementioned resolution(s) are provided hereunder:

Description of the Resolution	Votes in favour of the resolution (s)			Votes against the resolution (s)			No. of Invalid Votes	
	No. of Members Voted	No. of Shares held	% of total votes cast	No. of Members Voted	No. of Shares held	% of total votes cast	No. of members	No. of Votes
Appointment of Mr. Harshit Ambrish Shah (DIN: 03133614) as an Independent Director for a period of 05 (Five) Consecutive years	62	5869281	99.42	4	46202	0.78	Nil	Nil
Appointment of Mr. Surendra Deepchand Sharma (DIN: 03539486) as an Independent Director for a period of 05 (Five) Consecutive years	62	5874281	99.3	4	41202	0.7	Nil	Nil
Increase in the Authorized Share Capital of the Company	65	5915481	100	1	2	0	Nil	Nil
Approve the issue of bonus shares	65	5915481	100	1	2	0	Nil	Nil
Appointment of Mr. Anand Kumar Agarwal (DIN: 02459795) as an Independent Director for a period of 05 (Five) Consecutive years	65	5915481	100	1	2	0	Nil	Nil

The Resolution(s) were passed with requisite majority.

The Board of Directors had appointed M/s Avinash Pandey & Associates, Practicing Company Secretaries (Membership No: F9018) as the Scrutinizer to scrutinize the postal ballot process in a fair and transparent manner. The voting period for remote e-voting commenced on Thursday, March 16, 2023 at 9.00 a.m. (IST) and ended on Friday, April 14, 2023 at 5.00 p.m. (IST).

The consolidated report on the result of the postal ballot through remote e-voting for approving aforementioned resolutions was provided by the Scrutinizer on Saturday, April 15, 2023.

**Procedure for Postal Ballot:**

The Postal Ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and its General Circular Nos. 11/2022, 10/2022, 03/2022, 20/2021, 10/2021, 39/2020, 33/2020, 22/2020, 20/2020, 17/2020 and 14/2020 dated 28th December, 2022, 05th May, 2022, 14th December, 2021,

08th December, 2021, 23rd June, 2021, 31st December, 2020, 28th September, 2020, 15th June, 2020, 05th May, 2020, 13th April, 2020 and 08th April, 2020 respectively (collectively referred to as "MCA Circulars") issued by Ministry of Corporate Affairs.

**Details of special resolution proposed to be conducted through postal ballot:**

4 Resolutions were passed as Special Resolution through Postal Ballot.

**8. Means of Communication**

- **Financial Results:** The quarterly/half-yearly/annual financial results are published within the timeline stipulated under SEBI Listing Regulations. The results are uploaded on BSE portal within stipulated time period. 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. They are also available on the website of the Company at [www.srusteels.in](http://www.srusteels.in)

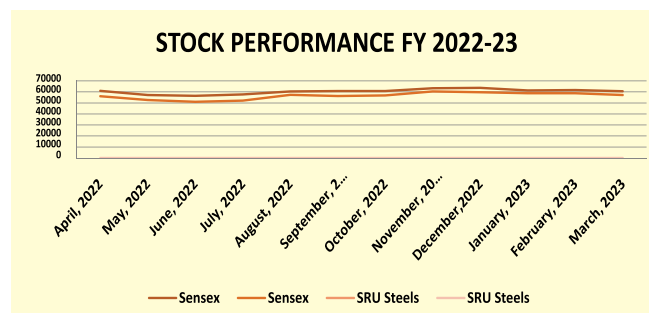
- **Newspapers wherein results normally published:** The financial results of the Company are published in widely circulated national dailies such as The Financial Express, English newspaper and The Jansatta, Hindi newspaper
- **Any website, where displayed:** The results of the Company are displayed on the Company's website: [www.srusteels.in](http://www.srusteels.in)
- **Company Website:** Comprehensive information about the Company, its business and operations can be reviewed on the Company's website [www.srusteels.in](http://www.srusteels.in). The "Investor Relation" and "Shareholder Desk" sections on the website give the information about results, annual reports, Shareholding Pattern.

#### 9. General Shareholder Information:

a)	<b>Annual General Meeting</b> (Date, Time & Venue)	27th September, 2023: Time: 3:00 P.M. (IST); Being held through video conferencing and Other Audio Visual Means (VC/OAVM)
b)	<b>Financial Year</b>	1st April to 31st March
c)	<b>Financial Calendar 2022-23 (Tentative &amp; Subject to Change)</b>	1. First Quarter results – 24th July, 2023 2. Second Quarter results – 2nd week of November, 2023. 3. Third Quarter results – 2nd week of February 2024 4. Audited yearly results for the year March 31, 2023 - Last week of May 2024
d)	<b>Date of Book Closure</b>	Thursday, September 21, 2023 to Wednesday, 27th September, 2022
e)	<b>Dividend Record (Last three years)</b>	Financial Year 2021-2022- NIL Financial Year 2020-2021 - NIL Financial Year 2019-2020 - NIL
f)	<b>Dividend Payment date for FY 2022-23</b>	Your Company has paid an interim dividend of Rs. 0.10/-per equity shares each (i.e. 1% on Rs. 10 fully paid up share).
g)	<b>Listing on Stock Exchanges</b>	Shares of the Company are listed on BSE Limited w. e f 2nd February, 2018 BSE: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 The annual listing fee for the financial year 2022-23 is required to be paid to the Stock Exchange.
h)	<b>Scrip Code</b>	540914
i)	<b>ISIN NO.</b>	INE425C01017

- j) a) Price Data Monthly High and Low quotation of shares traded on BSE during the year 2022-23.

Month End	Sensex		SRU Steels	
	High	Low	High	Low
April, 2022	60845.1	56009.07	17.10	17.05
May, 2022	57184.21	52632.48	17.10	17.05
June, 2022	56432.65	50921.22	17.10	17.05
July, 2022	57619.27	52094.25	17.10	17.05
August, 2022	60411.2	57367.47	17.10	17.05
September, 2022	60676.12	56147.23	17.10	17.05
October, 2022	60786.7	56683.4	17.10	17.05
November, 2022	63303.01	60425.47	17.10	17.05
December, 2022	63583.07	59754.1	17.10	17.05
January, 2023	61343.96	58699.2	18.95	17.05
February, 2023	61682.25	58795.97	22.6	14.85
March, 2023	60498.48	57084.91	24.24	15.3



#### k) Registrar & Transfer Agents (both for Electronic & Physical Segment)

As per Regulation 7 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 Every Listed Entity is required to appoint Share transfer agent. Accordingly,

**Beetal Financial & Computer Services (P) Ltd** shall continue to act as the Registrar and Share Transfer Agent of the Company

**Beetal Financial & Computer Services (P) Ltd**

**Address:** 3rd Floor, 99 Madangir, BH-Local Shopping Complex Near Dada Harsukhdas Mandir, New Delhi-110062 Contact Person: Mr Bhawendra Jha

#### l) Share Transfer Systems

In terms of Regulation 40 (1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form.

Pursuant to SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of



duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

As per the requirement of Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained the yearly certificates from the Company Secretary in practice for due compliance of share transfer formalities.

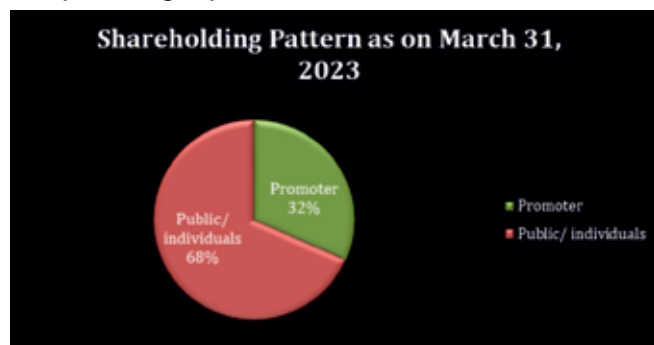
m) **Distribution of Shareholdings as on March 31, 2023:**

Range (in Shares)		No. of Shareholders	No. of Shares	% of Total
From	To			
1	5000	1222	105732	1.32
5001	10000	151	134787	1.69
10001	20000	47	73796	0.92
20001	30000	37	98941	1.24
30001	40000	20	72641	0.91
40001	50000	34	72641	2.03
50001	100000	47	378112	4.73
100001	And above	90	6965848	87.16
<b>Total</b>		<b>1648</b>	<b>7991900</b>	<b>100.00</b>

**Shareholding Pattern of the Company as on March 31, 2023:**

Category	No. of Shares	%
<b>Promoters</b>	2523500	31.5757
Promoters	NIL	-
Banks, Financial Institutions & FIs	NIL	-
Bodies Corporate	NIL	-
Non Resident Indians	NIL	-
GDR	5468400	68.4243
Public/ individuals	7991900	100.00
<b>Total</b>	<b>7991900</b>	<b>100.00</b>

**\* No pledge has been created on the shares held by promoters or promoter group as on March 31, 2023.**



n) **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 Limited (NSDL) and Central Depository Service Limited (CDSL) with the total issued and listed Capital. The Reports are placed before the Board of Directors for its perusal and are submitted to the concerned Stock Exchanges where the shares of the Company are listed for trading. 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.

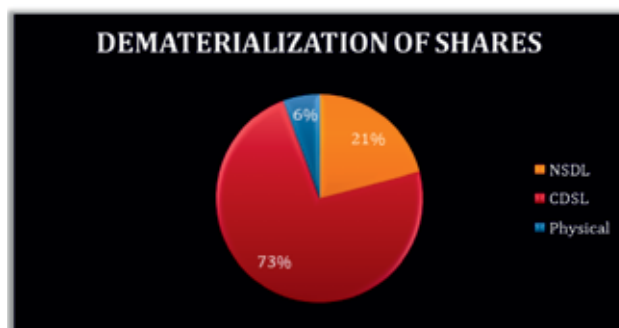
As required under Regulation 7(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has submitted a compliance certificate to the exchange duly signed by the Compliance Officer and the authorised representative of Share Transfer Agent viz. M/s Beetal Financial & Computer Services Private Limited to the Stock Exchange on 20th April, 2023 for the year ended 31st March, 2023 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.

o) **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<sup>st</sup> March, 2023**

Particular Dematerialization	Number of Shares	Percentage (%)
NSDL	1665672	20.842
CSDL	5876528	73.531
<b>Sub-Total:</b>	<b>7542200</b>	<b>94.373</b>
Physical:	449700	5.627
<b>Total:</b>	<b>7991900</b>	<b>100.00</b>



**List of Top 10 Shareholders (other than Promoters) as on March 31, 2023**

S.No	Name of the Shareholder	Number of shares
1.	Mr.Prabhulal Lallubhai Parekh	341200



2.	Mr. Satish Agarwal	323200
3.	Mr. Apoorv Agarwal	282200
4.	Mr. Samir Ramjibhai Asodariya	226674
5.	Mr. Kamlesh Jain	116500
6.	Mr. Pradip Sudhakarbai Birewar	110860
7.	Mr Rajiv Ranjan Gupta	100000
8.	Mr Ankul Agarwal	100000
9.	Mr Sushil Goel	85400
10.	Mr Dhaval Vora	80007
<b>Total</b>		<b>17,66,041</b>

p) **Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity;**

The Company has not issued any GDRs/ADRs/Warrants or any

convertible instruments in the past and hence, as on March 31, 2023, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

q) **Address for Correspondence** A-48, 1st Floor, Wazirpur Industrial Area, Delhi-110052.

r) **Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

s) **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 mobilization of funds in India or abroad.

t) **Other Disclosures**

S.No	Particulars	Statutes	Details	Website Link link for details
a)	Disclosure of Related Party Transactions	Regulation 23 of SEBI (LODR) Regulations, 2015	During the Financial Year 2022-23, 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.  A confirmation as to compliance of Related Party Transactions as per Listing Regulation is also sent to the Stock Exchange after the publication of standalone financial result for the half year ended March 31, 2023. Transactions with related parties are disclosed in Note no. 35 of the Financial Statements.	The Company has formulated a policy on related party transactions in terms of Regulation and the same is available on the website of the Company at <a href="http://www.srusteels.in/pdfs/investor-policies/Policy-on-Related-Party-Transactions-2022.pdf">http://www.srusteels.in/pdfs/investor-policies/Policy-on-Related-Party-Transactions-2022.pdf</a>
b)	Details of Compliances/ Non compliances by the Company with applicable Laws	Schedule V (C) 10(b) to the SEBI Listing Regulations	Nil	-
c)	Establishment of Vigil Mechanism/Whistle Blower Mechanism	Regulation 22 of SEBI Listing Regulations	A Vigil Mechanism/Whistle Blower policy as recommended by the Audit Committee has been adopted by the Board of Directors of the Company.  The policy provides a formal mechanism for all employees of the Company to approach the Chairman of the Audit Committee of the Company and no personnel has been denied access to the audit committee and make protective disclosures about the unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct.  The disclosures reported are addressed in the manner and within the time frames prescribed in the policy. Under the policy, each employee has an assured access to the Ethics Chairman of the Audit Committee.	Your Company has in place a whistle Blower Policy as part of vigil mechanism which can be accessed at <a href="http://www.srusteels.in">www.srusteels.in</a>



d)	Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause		The Company has complied with all the applicable mandatory requirements as specified in the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and the non-mandatory have been adopted to the extent and in the manner as stated under the appropriate headings detailed elsewhere in this report.	
e)	Web link where policy for determining material subsidiaries is disclosed	Regulation 24 of SEBI (LODR) 2015	Company do not have any subsidiary, therefore the Company is not required to make a policy for determining material subsidiary.	
f)	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 2022-23	
g)	Certificate from Company Secretary in Practice regarding disqualification of Directors		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.  The requisite certificate is annexed as Annexure- A.	
h)	Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2018	Section 134 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014	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). Other Disclosures**

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

**b) Fees to Statutory Auditors**

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

**c) Disclosure on compliance with Corporate Governance Requirements specified in Listing Regulations:**

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.

**d) 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 requirements of the Corporate Governance with respect to Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

**e) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of**

**appointment of the statutory auditors of such subsidiaries: There were no subsidiaries of the Company during the year under the review.**

**f) Disclosure of loan and advances in the nature of loan to firms/ companies in which directors are interested by name and amount :** During the year under the review no loan and advances has been given by the company to the firms/ Companies in which Directors are interested.

**g) Disclosure of Accounting Treatment**

The Ministry of Corporate Affairs (MCA), vide its notification in 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, 2023 have been prepared in accordance to Indian Accounting Standard (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

#### **h) Management & Discussion Analysis Report:**

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

#### **i) Affirmed compliance with the code of conduct of board of directors and senior management**

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 of Directors has adopted the Code of Conduct applicable to Directors and to Senior Management Personnel of the Company.

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 Chief Executive Officer under Schedule V sub-clause (D) 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 31st March, 2023 is attached to this Corporate Report. The declaration received has been attached as **Annexure –B** to this report.

The code has also been displayed on the Company's website <http://srusteels.in/pdfs/investor-policies/Code%20of%20Conduct%20%20Board%20%20&&%20Senior%20Management.pdf>

#### **j) Compliance Certificate from Practicing Company Secretary on Corporate Governance**

As required under Schedule V sub-clause (E) and 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 as Annexure -C

#### **k) Disclosure regarding appointment/re-appointment of directors**

Brief Details as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard-2 on the General Meeting in respect of the Director seeking reappointment at Annual General Meeting is annexed and forms integral part of the notice of the Annual General Meeting. The director has furnished the requisite consent/declaration(s) for his reappointment.

#### **l) 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 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>

#### **m) 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 controls risks 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.

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.

#### **n) Disclosure on demat Suspense Account/unclaimed Suspense Account**

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the listed entity shall disclose the details with respect to Demat Suspense Account/Unclaimed Suspense Account in its annual report, as long as there are shares in the unclaimed suspense account. There are no shares of the Company which lying in the demat suspense Account and Unclaimed Suspense Account.

**o)** 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>.

**p)** 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.

**q) 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](http://www.srusteels.in)

**r) 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).

**s) Discretionary Requirements**

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

**I. The Board**

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

**II. Shareholders Rights**

The half yearly financial 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 [www.srusteels.in](http://www.srusteels.in).

These results are not sent to shareholders individually.

**III. Unmodified Opinion(s) in Audit Report**

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

**IV. Reporting of Internal Auditor**

The Internal Auditor reports directly to the Audit Committee.

**t) Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations:** No such agreement has been entered by the listed entity that will impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity.

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

Sd/-

Sd/-

Place: Delhi  
Date: 2nd September, 2023

Apoorv Agarwal  
Managing Director  
DIN: 02763242

Naresh Kumar Garg  
Chairman & Director  
DIN: 00986846

Annexure –A**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  
CIN: L17300DL1995PLC107286  
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, North West Delhi, Delhi-110052, (hereinafter referred to as 'the Company'), produced before us by the Company and as explain by its officials and agents 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, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs, or any such other Statutory Authority.

**Details of the Directors**

S. No	Name of Director	DIN No	Date of Appointment in Company*
1.	Mr. Naresh Kumar Garg	00986846	03/10/2006
2.	Mr. Apoorv Agarwal	02763242	11/02/2021
3.	Mr. Rajiv Mittal	00082115	30/06/2001
4.	Mr. Anand Kumar Agarwal	02600539	07/02/2023
5.	Mr. Harshit Ambrish Shah**	03133614	10/03/2023
6.	Mr. Surendra Deepchand Sharma	03539486	10/03/2023
7.	Mr. Ashok Kumar Mahawar	02600539	01/05/2009
8.	Ms Richa Singhla	00082722	23/06/2014

\*the date of appointment is as per the MCA portal.

\*\* Resigned from the Board w.e.f. 03rd June, 2023.

**Note:**

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

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

**ANAND KUMAR SINGH**  
(Partner)  
M. No. -F10812  
COP No.: 9404  
UDIN: F010812E000805474

Date: 16/08/2023

Place: Delhi





Annexure -B

**DECLARATION BY CHIEF EXECUTIVE OFFICER 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, Arpit Agarwal, Chief Executive Officer 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, 2023 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**

**Sd/-**

**Arpit Agarwal**

**Chief Executive Officer**

**Place: New Delhi**

**Date: 2nd September, 2023**

**CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE**

To  
The Members of  
**SRU Steels Limited**  
**CIN: L17300DL1995PLC107286**  
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, 2023 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 as amended from time to time ('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.

**Auditor's 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, 2023.
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. F10812**

**COP No: 9404**

**UDIN: F010812E000870638**

**Date: 26/08/2023**

**Place: 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 Chief Executive Officer and Chief Financial Officer of **SRU Steels Limited** (the company), to the best of our Knowledge and belief certify for the financial year ended 31<sup>st</sup> March, 2022 that:

- (a) We have reviewed the IND-AS financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2022 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 entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
  - (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**

**Place: New Delhi  
Date: 29 April, 2023**

**Arpit Agarwal  
Chief Executive Officer**

**Hitesh Laxmikant Somani  
Chief Financial Officer**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **A. INDUSTRY STRUCTURE AND DEVELOPMENTS**

#### **a) GLOBAL ECONOMY**

The global economy grew 3.4% in 2022 with nascent signs of recovery seen in the second half of the year. A gradual recovery post the pandemic was beginning to take shape with unwinding of supply chain disruptions, however, the Russia-Ukraine conflict resulted in inflationary pressure and slowed the pace of recovery. In view of pent-up demand spike, lingering supply disruptions, and commodity price spikes, monetary action was taken by various central banks.

Central banks across the globe have resorted to raising policy rates to tackle inflationary pressure. With strong policy action from various central banks, food and energy prices have come down, but underlying price pressures are proving sticky, with labour markets tight in a number of economies.

In 2023, global growth is estimated to slow down to 2.8% and improve slightly to 3.0% in 2024. The global economic recovery is showing signs of uncertainty with persistent high debt levels, ongoing geopolitical conflict and financial sector turmoil - unexpected failures of two specialised regional banks in the United States in mid-March 2023 and the collapse of confidence in a major European bank. Growth in advanced economies is expected to slow down from 2.7% in 2022 to 1.3% and 1.4% in 2023 and 2024 respectively. However, the performance of emerging markets is expected to be slightly better with growth being maintained from 4.0% in 2022 to 3.9% in 2023 and slight improvement to 4.2% in 2024. In the medium term, it is imperative to focus on structural factors impeding supply and take appropriate steps to strengthen multilateral cooperation. This will help in creating a more resilient world economy.

1. IMF World Economic Outlook April 2023

#### **b) INDIAN ECONOMY OVERVIEW**

Despite sluggish global economy, India is poised to become the world's fastest-growing economy. India has set an ambitious target of becoming a USD 5 trillion economy by 2025 and more than double its annual exports to USD 2 trillion by 2030 aided by rise in value-added manufactured products and services exports. The Indian government is undertaking a slew of measures towards achieving these targets, including promotion of Make in India, Production Linked Incentives (PLI) scheme, Housing for All, rural electrification, refurbishing foreign trade policy, extended Emergency Credit Linked Guarantee Scheme, etc. China plus one strategy coupled with more liberal trade policy like new export hubs, ease of doing business and online approvals is poised to aid manufacturing sector growth in India.

According to the estimates by National Statistics Office (NSO), India's GDP growth is estimated at 7.2% for FY 2023. Despite GDP growth came in slightly lower than the last year, India remains one of the fastest growing economies among the major economies. Growth in FY 2023 is primarily attributable to rise in private consumption and capital formation which have helped in generating employment, reflected in the declining urban unemployment rate.

FY 2023 has witnessed a strong rebound of private consumption and higher capital expenditure, which in turn resulted in providing boost to production activity. World's largest vaccination drive involving over 2 billion doses served to lift consumer sentiments and enabled people to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas gave boost to consumption. Well-capitalised public sector banks led to increase in the credit supply and the credit growth to MSMEs. Robust government capital expenditure coupled with sustained increase in private capital expenditure is expected to continue with strengthening of corporate balance sheets. Measures taken by the Government and RBI, along with the easing of global commodity prices, aided in controlling retail inflation level below the RBI's upper tolerance target of 6%, in March 2023.

The Union Budget 2023-24 aimed at strengthening India's economic status in the 75th year of India's independence. The Vision for 'Amrit Kaal' was articulated in the Budget which centred around opportunities for citizens with focus on youth, growth & job creation and strong & stable macro-economic environment. Seven priorities, termed Saptarishi, were adopted to guide the country towards 'Amrit Kaal', thus providing a blueprint for an empowered and inclusive economy. The priorities being, inclusive development, reaching the last mile, infrastructure & investment, unleashing the potential, green growth, youth power and financial sector

Indian GDP growth is expected to be brisk in FY2024 at 6.5%, led by strong credit disbursal, higher Rabi crop output and intensive capital investment cycle. The expansion of public digital platforms and several measures like PM GatiShakti, the National Logistics Policy, and PLI schemes are expected to provide the needed boost to manufacturing output. However, the depreciating rupee coupled with tight monetary policy by the US Fed pose risk to pace of economic growth.

2. Source: NSO, Press Information Bureau (pib.gov.in).

### **B. OVERVIEW**

The objective of this report is to convey the Management's perspective on the external environment and steel industry, as well as strategy, operating and financial performance, material developments in human resources and industrial relations, risks and opportunities and internal control systems and their adequacy in the Company during FY2022-23. This should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in this Integrated Report and Annual Accounts 2022-23. The Company's financial statements have been prepared in accordance with Indian Accounting Standards (IndAS) complying with the requirements of the Companies Act, 2013, as amended and regulations issued by the Securities and Exchange Board of India (SEBI) from time to time.

This Management Discussion & Analysis report presents the key performance highlights of the year 2022-23, 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.

**C. EXTERNAL ENVIRONMENT****a) OUTLOOK**

Going forward, inflation trends, central bank actions, expected recovery in China and the Russia-Ukraine conflict will determine the course of the world's economic growth in CY 2023. Headline inflation has eased, though core inflation is yet to peak. The IMF expects global inflation to drop to 6.6% (from 8.8% in 2022) in CY 2023 and further to 4.3% in CY 2024, but still stay above the pre-pandemic levels of about 3.5%. In response, the pace and intensity of interest rate hikes by major central banks is likely to be benign, but interest rates are likely to remain higher for longer.

Global GDP growth is projected at 2.8% in CY 2023 and at 3.0% in CY 2024, led primarily by Asian economies such as India and China and other developing economies. The outlook for advanced economies such as the US and the Eurozone remains weak, with fears of a recession still looming on the horizon.

Goods and commodity inflation has cooled down significantly but services inflation in developed markets remains elevated due to tight labour markets. Aggressive policy tightening by the central banks in the US and Europe to control inflation has impacted growth and also led to a banking sector turmoil recently, which has potential for further downside risks.

The US economy is decelerating, and combined with the high wage inflation and banking sector issues, could lead to a slowdown in H2 CY 2023. The tight labour markets driven by strong services demand is expected to weaken in Q3 CY 2023. This will help cool inflation but may affect growth. Ongoing financial sector stress could force a pause in further rate hikes. There is a risk that the US will be pushed into a recession in CY 2023, with a significant decline in residential investment, despite the strong jobs market and healthy balance sheets of households.

The Euro area averted a severe recession due to good energy management helped by a mild winter, and manufacturing and services are picking up. Wage-driven inflation and any banking crisis are risks to growth. Moreover, according to the International Energy Agency (IEA), possibilities of a further decline in delivery of Russian natural gas to the Euro area could further dampen growth, especially in the case of a lower availability of liquefied natural gas (LNG), which accounted for majority of gas demand, and weather factors such as a dry summer and a cold winter in Q4.

In Japan, manufacturing remains subdued but services have picked up. Wage inflation and global slowdown are risks to GDP growth. China's recovery, post the Zero COVID policy, is being driven more by services than manufacturing. Slowing exports and a lacklustre property market are headwinds. Fiscal and monetary policy is expected to be supportive as inflation remains low in China.

World Economic Outlook Projections (GDP growth %)

REGION	Year to Year (%)		
	2022	2023	2024
World	3.4	2.8	3.0
Advanced Economies	2.7	1.3	1.4
Emerging Markets & Developed economies	4.0	3.9	4.2

United States	2.1	1.6	1.1
Euro Area	3.5	0.8	1.4
Japan	1.1	1.3	1.0
China	3.0	5.2	4.5
India	6.8	5.9	6.3

**D. CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis 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.

**E. INDIAN STEEL INDUSTRY**

The Indian economy stayed on a steady growth path, demonstrating strong resilience to multiple headwinds stemming from elevated inflation and a volatile global macro environment. The Indian economy is estimated to have grown by 7.2% in FY 2022-23, driven by strong private consumption, steady manufacturing and normalisation of contact-intensive services sectors. Although inflation remained above the upper band of the RBI's comfort range of 4-6% for most part of FY 2022-23, it started easing during the third and fourth quarters, as the central bank hiked its policy rates by 250 basis points cumulatively to contain inflation. In April 2023, the RBI hit a pause to its rate hike cycle, and is widely expected to maintain it, if a benign inflationary environment persists.

The Indian economy growth stems from the resilience seen in the rebound of private consumption, seamlessly replacing the export stimuli as the leading driver of growth. The uptick in private consumption has also given a boost to production activity resulting in an increase in capacity utilisation across sectors. The rebound in consumption was engineered by the near-universal vaccination coverage overseen by the government, which brought people back to the streets to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas, among others.

In FY 2022-23, growth has been principally led by private consumption and capital formation. The capex of the central government, which increased by 26% in FY 2022-23, was another growth driver in the current year. It has helped generate employment, seen in the declining urban unemployment rate and in the faster net registration in Employee Provident Fund. A sustained increase in private capex is also imminent with the strengthening of the balance sheets of the corporates and the consequent increase in credit financing it has been able to generate. The much-improved financial health of well-capitalised public sector banks has positioned them well to increase the credit supply.

As of April 2022, India was the world's second-largest producer of crude steel, with an output of 10.14 MT. In FY22, the production of crude steel and finished steel stood at 133.596 MT and 120.01 MT, respectively. In April-July 2022, the production of crude steel and finished steel stood at 40.95 MT and 38.55 MT respectively.

In FY22, the production of crude steel and finished steel stood at 133.596 MT and 120.01 MT, respectively. In April-Oct 2022, the production of crude steel and finished steel stood at 71.56 MT and 68.17 MT respectively. In FY22, crude steel production in India is estimated to increase by 18%, to reach 120 million tonnes, driven by rising demand from customers. The consumption of finished steel stood at 105.751 MT in FY22. In July 2022, the consumption of finished steel stood at 9.17 MT.

Steel companies are looking to restart expansion projects on the back of burgeoning steel processes with a capacity addition of 29 MT. Between April 2021-January 2022, consumption of finished steel stood at 86.3 MT.

In FY22, demand for steel is expected to increase by 17% to 110 million tonnes, driven by rising construction activities. Tata Steel is planning to set up more scrap-based facilities that will have a capacity of at least a billion tonnes by 2025. Tata Steel in India is also planning to expand its annual capacity from 34 MTPA to 55 MTPA by 2030.

In FY22, exports and imports of finished steel stood at 13.49 MT and 4.67 MT, respectively. In FY22, India's export rose by 25.1% YoY, compared with 2021. India's per capita consumption of steel grew at a CAGR of 4.43% from 46 kgs in FY08 to 74.10 kgs in FY19. In July 2022 exports of finished steel stood at 3.80 lakh MT.

In FY23 (until January 2023), the exports of finished steel stood at 5.33 MT, while the imports stood at 5 MT. In FY22, exports and imports of finished steel stood at 13.49 MT and 4.67 MT, respectively. In FY22, India's export rose by 25.1% YoY, compared with 2021. In FY21, India exported 9.49 MT of finished steel. In December 2022 exports of finished steel stood at 4.42 lakh tonnes.

The annual production of steel is anticipated to exceed 300 million tonnes by 2030–2031. By 2030–31, crude steel production is projected to reach 255 million tonnes at 85% capacity utilisation achieving 230 million tonnes of finished steel production, assuming a 10% yield loss or a 90% conversion ratio for the conversion of raw steel to finished steel. With net exports of 24 million tonnes, consumption is expected to reach 206 million tonnes by the years 2030–1931. As a result, it is anticipated that per-person steel consumption will grow to 160 kg.



## F. INVESTMENTS

The steel industry and its associated mining and metallurgy sectors have seen major investments and developments in the recent past.

According to the data released by the Department for Promotion of Industry and Internal Trade (DPIIT), between April 2000-December 2022, Indian metallurgical industries attracted

FDI inflows of US\$ 17.22 billion.

In FY22, demand for steel was expected to increase by 17% to 110 million tonnes, driven by rising construction activities.

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

- 67 applications from 30 companies have been selected under the Production Linked Incentive (PLI) Scheme for Specialty Steel. This will attract committed investment of Rs. 42,500 crore (US\$ 5.19 billion) with a downstream capacity addition of 26 million tonnes and employment generation potential of 70,000.
- In September 2022, Steel Authority of India Limited (SAIL), a Maharatna PSU, supplied 30,000 tonnes of the entire DMR grade specialty steel for the nation's first indigenously built Aircraft Carrier INS Vikrant.
- In August 2022, Tata Steel signed an MoU with Punjab Government to set up a steel scrap based electric arc furnace steel plant.
- In May 2022, Tata Steel announced a CAPEX of Rs. 12,000 crore (US\$ 1.50 billion).
- In October 2021, Tata Steel was planning to set up more scrap-based facilities that will have a capacity of at least a billion tonnes by 2025.
- In October 2021, JSW Steel invested Rs. 150 billion (US\$ 19.9 million) to build a steel plant in Jammu and Kashmir and boost manufacturing in the region.
- In October 2021, ArcelorMittal and Nippon Steel Corp.'s joint venture steel firm in India, announced a plan to expand its operations in the country by investing ~Rs. 1 trillion (US\$ 13.34 billion) over 10 years.
- In August 2021, Tata Steel announced to invest Rs. 8,000 crore (US\$ 1.08 billion) in capital expenditure to develop operations in India in FY22.
- In August 2021, ArcelorMittal announced to invest Rs. 1 lakh crore (US\$ 13.48 billion) in Gujarat for capacity expansion.
- In August 2021, Tata Steel announced to invest Rs. 3,000 crore (US\$ 404.46 million) in Jharkhand to expand capacities over the next three years.
- In August 2021, Jindal Steel & Power Ltd. announced plans to invest US\$ 2.4 billion to increase capacity over the next six years to meet the rising demand from customers.
- In the next three years from June 2021, JSW Steel is planning to invest Rs. 47,457 crore (US\$ 6.36 billion) to increase Vijayanagar's steel plant capacity by 5 MTPA and establish a mining infrastructure in Odisha.

## G. Government Initiative

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

- In October 2021, the government announced guidelines for the approved specialty steel production-linked incentive (PLI) scheme.
- In October 2021, India and Russia signed an MoU to carry out R&D in the steel sector and produce coking coal (used in steel making).





- In July 2021, the Union Cabinet approved the production-linked incentive (PLI) scheme for specialty steel. The scheme is expected to attract investment worth ~Rs. 400 billion (US\$ 5.37 billion) and expand specialty steel capacity by 25 million tonnes (MT), to 42 MT in FY27, from 18 MT in FY21.
- In June 2021, Minister of Steel & Petroleum & Natural Gas, Mr. Dharmendra Pradhan addressed the webinar on 'Making Eastern India a manufacturing hub with respect to metallurgical industries', organised by the Indian Institute of Metals. In 2020, 'Mission Purvodaya' was launched to accelerate the development of the eastern states of India (Odisha, Jharkhand, Chhattisgarh, West Bengal and the northern part of Andhra Pradesh) through the establishment of an integrated steel hub in Kolkata, West Bengal. Eastern India has the potential to add >75% of the country's incremental steel capacity. It is expected that of the 300 MT capacity by 2030-31, >200 MT can come from this region alone.
- In June 2021, JSW Steel, CSIR-National Chemical Lab (NCL), Scottish Development International (SDI) and India H2 Alliance (IH2A) joined forces to commercialise hydrogen in the steel and cement sectors.
- Under the Union Budget 2023-24, the government allocated Rs. 70.15 crore (US\$ 8.6 million) to the Ministry of Steel.
- In addition, an investment of Rs. 75,000 crore (US\$ 9.15 billion) (including Rs. 15,000 crore (US\$ 1.83 billion) from private sources) has been allocated for 100 critical transport infrastructure projects for last and first mile connectivity for various sectors such as ports, coal, and steel.
- In January 2021, the Ministry of Steel, Government of India, signed a Memorandum of Cooperation (MoC) with the Ministry of Economy, Trade and Industry, Government of Japan, to boost the steel sector through joint activities under the framework of India-Japan Steel Dialogue.
- The Union Cabinet, Government of India approved the National Steel Policy (NSP) 2017, as it intends to create a globally competitive steel industry in India. NSP 2017 envisage 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030-31.
- The Ministry of Steel is facilitating the 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% and imposed measures including anti-dumping and safeguard duties on iron and steel items.

Source: <https://www.ibef.org/industry/steel>





## H. OPPORTUNITIES

Over the past few years, increasing awareness on the various benefits of stainless steel has been leading to a substantial increase of its usage in various applications in railways, automobile, process industries, building and construction. Additionally, various initiatives undertaken by the Indian Government have been giving significant impetus to the domestic stainless steel industry. Demand for steel from different sectors will drive steel industry.

The steel industry has emerged as a major focus area given the dependence of a diverse range of sectors on its output as India works to become a manufacturing powerhouse through policy initiatives like Make in India. With the industry accounting for about 2% of the nation's GDP, India ranks as the world's second-largest producer of steel and is poised to overtake China as the world's second-largest consumer of steel. Both the industry and the nation's export manufacturing capacity have the potential to help India regain its favourable steel trade balance.

The National Steel Policy, 2017 envisage 300 million tonnes of production capacity by 2030-31. The per capita consumption of steel has increased from 57.6 kgs to 74.1 kgs during the last five years. The government has a fixed objective of increasing rural consumption of steel from the current 19.6 kg/per capita to 38 kg/per capita by 2030-31. As per Indian Steel Association (ISA), steel demand will grow by 7.2% in 2019-20 and 2020-21.

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.



## THREATS

- the Russia-Ukraine conflict resulted in inflationary pressure
- COVID-19 disruptions in national and international markets.
- Continuous environmental pressures leading to process/ equipment related changes.
- The Divergent global market environment
- Geo-political conflict leading to increase in raw material prices for steel manufacturing.

## 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 Delhi and does not operate at any other place and therefore



all the revenue and income has been generated from these geographic areas only

(Amount in Lakhs)

## RISK AND CONCERNS:

The year under the review has been a roller-coaster ride, starting with oxygen crisis during the second wave of COVID-19, drop in Russia-Ukraine conflict, auto production due to semi-conductor shortage, volatility in coal & energy prices in the subsequent quarters and finally ending on tensed geo-political scenario resulting in shift in trade dynamics. High raw material prices have pushed steel prices and aided in maintaining margins at last year's level.

Key Risks in F.Y. 2022-2023 which have had a large bearing on the business are as follows: Rising inflation due to Russia-Ukraine conflict, geopolitical issues disrupting supply chains, heightened volatility in the commodity prices, increasing regulatory compliances, ongoing semi conductor chip shortages, ageing equipment and safety related hazards.

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 AND THEIR ADEQUACY:

The Company believes in systematic working and placing appropriate internal control systems and checks. Proper checks and systems are in place and regular reviews are held by the Head of Department and Senior Management to check that the systems and controls are adhered. The reviews also prescribe changes wherever required.

## SRU STEELS OPERATIONS

The Company operates in the single business segment of trading in various types of Stainless 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 2022-23, the SRU Steels Ltd reported Rs 9,449 lakhs profit before tax as against a profit Rs. 3,108 lakhs in financial year 2021-22.

## FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

### Abridged Statement of Profit and Loss

Particulars	Year 2022-23(in %)	Year 2021-22(in %)
Debtor Turnover Ratio	5.44	3.93
Inventory Turnover Ratio	8.88	15.48
Debt Equity Ratio	0.49	0.29
Interest Coverage Ratio	4.31	3.36
Current Ratio	2.97	3.55
Operating Profit Margin	5.99	2.20
Net Profit Margin Ratio	4.18	1.63
Return on Net Worth	5.38	1.81

Particulars	2022-23	2021-22	Growth %
Revenue from Operations	1578.65	1409.94	11.96
Other Income	92.99	95.19	-2.3
<b>Total Revenue</b>	<b>1671.64</b>	<b>1505.13</b>	<b>11.06</b>
<b>Expenses</b>			
Purchase	1503.55	1315.89	14.26
Change in inventory	(107.71)	(24.61)	-337.66
Employees benefits expenses	51.97	48.92	6.23
Finance Cost	31.49	14.52	116.87
<b>Depreciation and Amortisation</b>	<b>9.87</b>	<b>10.60</b>	<b>-6.88</b>
Other Expenses	87.98	108.73	-19.084
Total Expenses	1577.15	1474.05	6.99
PBT	94.49	31.08	204.021
Tax Expenses	25.12	8.84	184.16
<b>Profit after tax</b>	<b>69.86</b>	<b>23.00</b>	<b>20373</b>
Earning per Equity Share	0.87	0.29	

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

Human resource has always been one of the most valued stakeholders and a key differentiator for SRU Steels Limited. The underlying principle is that workers and staff at all levels are equally instrumental for attaining the Company's goals. The Company strongly believes in the policy of hiring the right talent for the right position at the right time, with a focus to improve employee productivity.

SRU believes that people are the backbone of the company. The Company has meritocratic culture and provides a conducive workplace for all. Occupational health and safety of employee is ensured at all times. The company focuses on the learning and professional development of its employees. Training programmes are regularly conducted to update their skills and apprise them of latest techniques. To enable the organisation to attain its full potential, it is imperative for us to create and maintain an ideal work culture thus creating an engaged and skilled workforce capable of delivering on the commitments to our stakeholders and in the process, making us 'Future Ready'- structurally, financially and culturally. Senior Management is easily accessible for counseling and redressal of grievances if any. The HR Department strives to maintain and promote harmony and co-ordination amongst Workers, Staff, and Members of the Senior Management.

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

## INDEPENDENT AUDITOR'S REPORT

### To the Members of SRU STEELS LIMITED

#### Report on the Audit of the Standalone Financial Statement

##### Opinion

1. We have audited the accompanying standalone financial statements of "SRU Steels Limited" ("the company") which comprise the Balance Sheet as at March 31, 2023, 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").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at 31st March, 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

##### Basis for opinion

3. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 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 ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules made there under, 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

4. Key audit matters are those matters that, in our professional judgment, 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

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure 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

6. 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 the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and 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.
7. In preparing the standalone financial statements, the Board of Directors 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 Board of Directors either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.
8. The Boards of Directors are also responsible for overseeing the Company's financial process.

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

9. 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.



10. 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.
11. 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.
12. 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.

13. 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**

14. As required by Section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its Directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
15. As required by the Companies (Auditor's Report) Order, 2020 ("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.
16. Further to our comments in Annexure A, as required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 stand alone financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2023 from being appointed as a Director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure- B". Our report expresses 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 during the year ended 31 March, 2023.
- iv.(a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) of clause (iv), contain any material misstatement.
- v. The Company has declared and paid dividend during the year.

**For Agrawal Mahesh Kumar & Co.**

Chartered Accountants  
(Registration No. 014618N)

**Place:** New Delhi

**Dated:** 29<sup>th</sup> April, 2023

**(FCA. M.K Agrawal)**

(Proprietor)

**UDIN: 23094303BGWKJR4761**

**M.NO. 094303/FRN014618N /P.A.NO.AAEP0088N**



**ANNEXURE 'A' TO THE AUDITOR'S REPORT TO THE MEMBERS OF SRU STEELS LIMITED**

**Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of SRU Steels Limited on the standalone financial statements as of and for the year ended March 31, 2023**

- i.(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
- ii.(a) The Inventory has been physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such verification.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted loans to two companies during the year, details of the loan is stated in sub-clause (a) below. The Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year
- (a) A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company is not having any subsidiaries, joint ventures and associates. Accordingly, clause 3(iii)(a) of the Order is not applicable.
- B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has

granted loans to the parties other than subsidiaries, joint ventures and associates as below:

Particulars	Amount in (Rs)
Aggregate amount during the year - Others	6,52,27,456/-
Balance outstanding as at balance sheet date - Others	11,92,95,330/-

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.
- iv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security as specified under Section 185 of the Companies Act, 2013. The company has complied with the provision of Section 186 of the Companies Act, 2013 in respect of the loan granted, investment made and guarantee and securities provided as applicable.
- v. The company has not accepted any deposits from the public during the year in term of provision of section 73 or any other provision of the Act and rule made there under. Accordingly paragraph 3(v) of the order is not applicable to the Company.
- vi. According to the information and explanations given to us, the Central government has not prescribed the maintenance of Cost Record under section 148(1) of the Companies Act 2013 for the business activities carried out by the Company. Accordingly paragraph 3(vi) of the order is not applicable to the Company.
- vii. In respect of statutory Dues:
- (a) According to information and explanation given to us, there are no Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, Cess, goods and services tax and

other material statutory dues as applicable, which are outstanding as at 31st March, 2023 for a period of more than six months from the date they become payable.

- (b) The disputed statutory dues aggregating to Rs. 4.22 lacs that have not been deposited on account of disputed matters pending before appropriate authorities as under:-

S. No.	Name of the Statute	Nature of dues	(Rs.) 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. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year
- ix.(a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

- xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) The company has not received any whistle blower complaints. Accordingly, clause 3(xi)(c) of the Order is not applicable.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable
- xiii. In our opinion and according to the information and explanation given to us, 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 Indian Accounting Standards.
- xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and



based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanation given to us and based on our examination of the records of the Company, Section 135 of the Companies Act, 2013 does not apply on Company.

Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable

**For Agrawal Mahesh Kumar & Co.**

Chartered Accountants  
(Registration No. 014618N)

**Place:** New Delhi

**Dated:** 29th April, 2023

**(FCA. M.K Agrawal)**

(Proprietor)

**UDIN: 23094303BGWKJR4761**

**M.NO. 094303/FRN014618N /P.A.NO.AAEP0088N**

## **Annexure - B to the Independent Auditors Report-31st March, 2023**

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

1. We have audited the internal financial controls over financial reporting of SRU Steels Limited ("the Company") as of 31 March 2023 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**

2. 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.

#### **Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements**

3. 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.

4. 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 Standalone financial statements, whether due to fraud or error.

5. 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**

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;  
(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and

that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

7. 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**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Agrawal Mahesh Kumar & Co.**

Chartered Accountants  
(Registration No. 014618N)

**Place:** New Delhi

**Dated:** 29th April, 2023

**(FCA. M.K Agrawal)**

(Proprietor)

**UDIN: 23094303BGWKJR4761**

**M.NO. 094303/FRN014618N /P.A.NO.AAEP0088N**



## BALANCE SHEET AS AT 31ST MARCH 2023

(Amount in ₹)

Particulars	Notes	March 31, 2023	March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	4,520	4,772
Financial assets			
Loans	5	-	20
Other financial assets	6	-	15,256
Deferred tax assets	7	447	399
<b>Total of non Current Assets</b>		<b>4,967</b>	<b>20,447</b>
<b>Current assets</b>			
Inventory	8	21,110	10,339
Financial assets			
Loans	5	1,19,295	1,12,282
Trade receivables	9	30,742	27,304
Cash and cash equivalents	10	433	710
Other financial assets	11	17,950	999
Current tax assets	12	1,578	1,827
Other current assets	13	1,925	2,108
<b>Total of Current Assets</b>		<b>1,93,033</b>	<b>1,55,569</b>
<b>TOTAL ASSETS</b>		<b>1,98,000</b>	<b>1,76,016</b>
<b>Equity</b>			
Share capital	14	79,919	79,919
Other equity		53,015	46,828
<b>Total equity</b>		<b>1,32,934</b>	<b>1,26,747</b>
<b>LIABILITIES</b>			
<b>Non- Current liabilities</b>			
Financial liabilities			
Borrowings	15	-	5,499
<b>Total Non-Current liabilities</b>		<b>-</b>	<b>5,499</b>
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	16	25,425	6,792
Other financial liabilities	17	31,181	32,091
Other current liability	18	5,948	4,003
Current tax liability (net)	19	2,512	884
<b>Total Current liabilities</b>		<b>65,066</b>	<b>43,770</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,98,000</b>	<b>1,76,016</b>
<b>Significant accounting policies</b>	1-3		
<b>Notes to accounts</b>	4-41		

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

For Agarwal Mahesh Kumar & Co.  
Chartered Accountants

For & On Behalf Of Board Of Directors

CA M.K Agarwal (FCA)  
(Proprietor)  
Membership No.094303  
F.R.N. No. 014618N  
UDIN: 23094303BGWKJR4761

sd/-  
Naresh Kumar Garg  
Chairman  
DIN: 00986846

sd/-  
Apoorv Agarwal  
Managing Director  
DIN: 02763242

Place:- New Delhi  
Date:- 29<sup>th</sup> April 2023

sd/-  
Arpit Agarwal  
Chief Executive Officer  
PAN :- ALXPA4182D

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

sd/-  
Shallu Garg  
Company Secretary  
Membership No.A60869

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Amount in ₹)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
<b>Income</b>			
Revenue from operations	20	1,57,865	1,40,994
Other Income	21	9,299	9,520
<b>Total Revenue</b>		<b>1,67,164</b>	<b>1,50,514</b>
<b>Expenses</b>			
Purchase	22	1,50,355	1,31,589
Change in inventory	23	(10,771)	(2,462)
Employee benefits expenses	24	5,197	4,892
Finance cost	25	3,149	1,452
Depreciation and amortisation	26	987	1,060
Other expenses	27	8,798	10,875
<b>Total expenses</b>		<b>1,57,715</b>	<b>1,47,406</b>
<b>Profit before tax</b>		<b>9,449</b>	<b>3,108</b>
Less: Tax expense			
Current tax		2,512	884
Earlier Period Tax Expenses		-	-
Deferred tax		(49)	(76)
<b>Profit for the year</b>		<b>6,986</b>	<b>2,300</b>
Other Comprehensive Income		-	-
Items that will not be reclassified to profit or loss		-	-
Income tax benefit	(a)	-	-
Items that will be reclassified to profit or loss		-	-
Income tax benefit	(b)	-	-
<b>Total Comprehensive income for the year, net of tax (a+b)</b>		<b>6,986</b>	<b>2,300</b>
Earning per equity shares	30		
Basic		0.87	0.29
Diluted		0.87	0.29
<b>Significant accounting policies</b>	1-3		
<b>Notes to accounts</b>	4-41		

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

For Agarwal Mahesh Kumar & Co.  
Chartered Accountants

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Chief Financial Officer  
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sd/-  
Shallu Garg  
Company Secretary  
Membership No.A60869



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023**

(Amount in ₹)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
<b>A. Cash Flow from Operating Activities</b>		
a) Net Profit before tax and extraordinary Items	9,449	3,108
Depreciation	987	1,060
Previous Year Tax Adjustment	-	11
Amount written off	(7)	(251)
Interest Income	(8,967)	(8,690)
Interest expenses	(43)	13
b) Operating profit before working capital Changes Adjustment for:	1,419	(4,750)
(Increase)/Decrease in Trade Receivable	(3,438)	16,974
(Increase)/Decrease in Loan and Advance	(7,013)	(1,01,096)
(Increase)/Decrease in other financial assets	(1,695)	(5,800)
(Increase)/Decrease in Other Current Assets	183	(126)
(Increase)/Decrease in inventories	(10,771)	(2,462)
(Increase)/Decrease in Security Deposit	20	-
Increase/(Decrease) in Trade Payable	18,633	(9,024)
Increase/(Decrease) in Other Current Liabilities	1,945	859
Increase/(Decrease) in Other Financial liability	(910)	689
c) Cash generated from operations	(1,627)	(1,04,736)
Less-Income tax paid	1,383	1,487
Net cash from operating activities	(3,010)	(1,06,223)
<b>B. Cash Flow from Investing Activities</b>		
Purchase of fixed assets (Net)	(735)	126
Sale of fixed assets(Net)	-	-
Interest Income	8,967	8,690
Net cash from Investing Activities	8,232	8,816
<b>C. Cash Flow from Financial Activities</b>		
Borrowings	(5,499)	1,454
	(5,499)	1,454
<b>D. Net Increase/(decrease) in Cash and Cash equivalent</b>	<b>(277)</b>	<b>(95,953)</b>
Cash & Cash equivalent at beginning of the year	<b>710</b>	<b>96,663</b>
Cash & Cash equivalent at end of the year	<b>433</b>	<b>710</b>
(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.

**For Agarwal Mahesh Kumar & Co.**  
Chartered Accountants

For &amp; On Behalf Of Board Of Directors

CA M.K Agarwal (FCA)  
(Proprietor)  
Membership No.094303  
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Place:- New Delhi  
Date:- 29<sup>th</sup> April 2023

sd/-  
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PAN :- ALXPA4182D

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

sd/-  
Shallu Garg  
Company Secretary  
Membership No.A60869

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

## A. Equity Share Capital

Particulars	Number of shares	₹
Balance as at April 1, 2021	79,91,900	7,99,19,000
Changes in equity share capital during the year	-	-
Balance as at March 31, 2022	79,91,900	7,99,19,000
Changes in equity share capital during the year	-	-
Balance as at March 31, 2023	79,91,900	7,99,19,000

## B. Other Equity

Particulars	Reserve and surplus			
	Capital reserve	Security premium	General reserve	Total
	₹	₹	₹	₹
Balance as at April 1, 2021	6,156	12,405	25,957	44,517
Adjustment for provision for tax last year	-	-	11	11
Amount Writtern off	-	-	-	-
Profit for the year	-	-	2,300	2,300
Balance as at March 31, 2022	6,156	12,405	28,268	46,828
Adjustment for provision for tax last year	-	-	-	-
Amount Writtern off	-	-	799	799
Profit for the year	-	-	6,986	6,986
Balance as at March 31, 2023	6,156	12,405	34,454	53,015

For Agarwal Mahesh Kumar & Co.  
Chartered Accountants

For & On Behalf Of Board Of Directors

CA M.K Agarwal (FCA)  
(Proprietor)  
Membership No.094303  
F.R.N. No. 014618N  
UDIN: 23094303BGWKJR4761

sd/-  
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Place:- New Delhi  
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Chief Financial Officer  
PAN: AOWPS2590B

sd/-  
Shallu Garg  
Company Secretary  
Membership No.A60869



## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 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, 2023 were approved by the Board of Directors and authorised for issue on May 29th, 2023.

### 2 BASIS OF PREPARATION AND PRESENTATION

#### 2.1 STATEMENT OF COMPLIANCE

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), Including the rules notified under the relevant provisions of the companies Act, 2013, (as amended from time to time) and Presentation and disclosure requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) as amended from time to time

The Company's Financial Statements are presented in India Rupees, which is also its functional currency and all values are rounded to the nearest Thousand (Rs. 000) except when otherwise indicated.

#### 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 off 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 recognised 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 recognised 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 recognised 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 recognised 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 recognised 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 recognised in the statement of profit or loss in the period in which they arise.

Foreign currency derivatives are initially recognised 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 recognised 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 recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised 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 utilised.

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

**3.11 REVENUE RECOGNITION**

- a) Sales are recognised on dispatch of goods.
- b) Interest income is recognized using effective interest method.
- c) Commission are Recognised on dispatch of goods.

**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 recognised 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 recognised 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.

## 4 Property, plant and equipment

Particulars	Buildings	Furniture & fixtures	Vehicles	Computers	Office equipments	Total
	₹ '000'	₹ '000'	₹ '000'	₹ '000'	₹ '000'	₹ '000'
<b>Cost</b>						
<b>As at April 1, 2021</b>	3686.27	3,841	294	341	301	8,463
-Additions		-	-	59	67	126
-Disposals		-	-	-	-	-
<b>As at March 31, 2022</b>	3,686	3,841	294	400	367	8,589
-Additions	-	49	564	-	123	735
-Disposals	-	-	-	-	-	-
<b>As at March 31, 2023</b>	3,686	3,890	857	400	490	9,324
<b>Depreciation</b>						
<b>As at April 1, 2021</b>	765	1,319	183	254	236	2,756
Depreciation charge during the year	276	650	28	64	43	1,060
Written back	-	-	-	-	-	-
<b>As at March 31, 2022</b>	1,040	1,969	212	318	278	3,816
Depreciation charge during the year	250	500	150	44	44	987
Written back	-	-	-	-	-	-
<b>As at March 31, 2023</b>	1,290	2,468	362	362	322	4,804
<b>Net Book Value</b>						
<b>As at March 31, 2023</b>	2,396	1,421	496	39	168	4,520
<b>As at March 31, 2022</b>	2,646	1,872	82	83	89	4,772
<b>As at April 1, 2021</b>	2,922	2,522	110	87	65	5,707

## 5 Loans

Particulars		March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
<b>Non-current</b>			
Unsecured, considered good			
Loans			
Others		-	20
	(a)	-	20
<b>Current</b>			
Unsecured, considered good			
Loans			
Others		119,295	112,282
	(b)	119,295	112,282
<b>Total</b>	(a+b)	119,295	112,302

## 6 Other financial asset

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
<b>Non-current</b>		
Unsecured, considered good		
Security deposit	-	12,916
Deferred security	-	2,340
	-	15,256
<b>Current</b>		
Unsecured, considered good		
Security deposit	17,950	-
Deferred security		
	17,950	-
	17,950	15,256

## 7 Deferred tax assets

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
<b>Deferred tax assets on</b>		
Property, plant and equipments & intangible assets	416	367
Accrued expenses deductible on payment	32	32
<b>Deferred tax assets(net)</b>	447	399

## Movement of Deferred tax (assets)/ liabilities

Particulars	For the year ended March 31, 2023			
	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in OCI	Closing Balance
<b>Deferred tax assets on</b>				
Property, plant and equipments & intangible assets	367	(49.00)	-	416
Accrued expenses deductible on payment	32	-	-	32
<b>Deferred tax assets(net)</b>	398	(49)	-	447





Particulars	For the year ended March 31, 2022			
	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in OCI	Closing Balance
<b>Deferred tax assets on</b> Property, plant and equipments & intangible assets	291	(76)	-	367
Accrued expenses deductible on payment	32	-	-	32
<b>Deferred tax assets(net)</b>	<b>323</b>	<b>(76)</b>	<b>-</b>	<b>398</b>

## 8 Inventories

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Stock in Trade		
<b>Total</b>	<b>21,110</b>	<b>10,339</b>

## 9 Trade receivables

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Unsecured, considered good	30,742	27,304
<b>Total</b>	<b>30,742</b>	<b>27,304</b>

## Trade Receivables Ageing (As at 31st March 2023)

Particulars	Outstanding for following period from due date of Payment					
	Less Than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More the 3 Years	Total
(i) Undisputed Trade Receivables- Considered Goods	30,116	-	126	-	500	30,742
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
<b>Total</b>	<b>30,116</b>	<b>-</b>	<b>126</b>	<b>-</b>	<b>500</b>	<b>30,742</b>

## Trade Receivables Ageing (As at 31st March 2022)

Particulars	Outstanding for following period from due date of Payment					
	Less Than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More the 3 Years	Total
(i) Undisputed Trade Receivables- Considered Goods	9,247	126	17,430	500	-	27,304
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
<b>Total</b>	<b>9,247</b>	<b>126</b>	<b>17,430</b>	<b>500</b>	<b>-</b>	<b>27,304</b>

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

## 10 Cash and cash equivalents

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Cash in hand	203	709
Balance with Banks		
On current accounts	230	-
<b>Total</b>	<b>433</b>	<b>709</b>

## 11 Other financial assets

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Unsecured, considered good		
Interest receivable	-	999
<b>Total</b>	<b>-</b>	<b>999</b>

## 12 Current tax asset

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
TDS (Including Income Tax Refund due)	1,578	1,827
<b>Total</b>	<b>1,578</b>	<b>1,827</b>

**13 Other Current Assets**

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Unsecured, considered good		
Input receivable from Government authorities	1,922	2,067
Prepaid expenses	3	36
Others	-	5
<b>Total</b>	<b>1,925</b>	<b>2,108</b>

**14 Share capital**

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
<b>Authorised</b>		
95,00,000 (95,00,000) equity shares of ₹ '000' 10 (₹ '000' 10) each	95,000	95,000
<b>Issued, subscribed and paid up capital</b>		
79,91,900 (79,91,900) equity shares of ₹ '000' 10 (₹ '000' 10) each		
fully paid up	79,919	79,919

Notes:

- a) Right, preference and restrictions attached to shares;

The Company has equity shares having a par value of ₹ '000' 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 shareholder ₹ '000'

- b) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Nos.	Amount	Nos.	Amount
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, 2022 and March 31, 2023 is as follows:

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	% Holding	Shares	% Holding	Shares
Anant Overseas Private Limited	31.58	2,523,500	31.58	2,523,500
Apoorv Agarwal	-	-	11.51	920,000
Satish Agarwal	-	-	10.90	871,500
Satish Agarwal HUF	-	-	10.29	822,500

- d) Shareholding of Promoter at the End of Year 2023

Promoter Name	Class of Share	% of Total Shares	Number of Shares	% Change During the Year
Anant Overseas Pvt Ltd.	Equity Share	31.58%	2523500	-
		31.58%	2523500	-

Shareholding of Promoter at the End of Year 2022

Promoter Name	Class of Share	% of Total Shares	Number of Shares	% Change During the Year
Anant Overseas Pvt Ltd.	Equity Share	31.58%	2523500	-
		31.58%	2523500	-

**15 Borrowings**

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
<b>Non -Current Liabilities</b>		
GECL - SBI Credit	-	5,499
<b>Total</b>	<b>-</b>	<b>5,499</b>

**16 Trade Payables**

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Dues of micro, small and medium enterprises	-	-
Dues to other than micro, small and medium enterprises	25,425	6,792
<b>Total</b>	<b>25,425</b>	<b>6,792</b>

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.

**17 Other financial liabilities**

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
GECL - SBI Credit	-	1,924
Bank overdraft	29,052	30,167
Other Loan	1,900	-
Bank Interest Payable	229	-
<b>Total</b>	<b>31,181</b>	<b>32,091</b>

**18 Other current liabilities**

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Statutory dues	246	382
Other current liabilities	1,161	3,621
Advances from customers	4,541	-
<b>Total</b>	<b>5,948</b>	<b>4,003</b>

**19 Current tax liability**

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Income tax	2,512	884
<b>Total</b>	<b>2,512</b>	<b>884</b>

**20 Revenue from operations**

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Sale of products		
Stainless Steel	152,782	131,533
Other operating revenue		
Commission on direct sales	5,083	9,461
<b>Total</b>	<b>157,865</b>	<b>140,994</b>

**21 Other Income**

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Interest receipts on		
Loan and Advances	8,967	8,690
L/c Charges Recover	-	409
Amounts written back	7	421
Other Income	325	-
<b>Total</b>	<b>9,299</b>	<b>9,520</b>

**22 Purchase of material**

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Purchase of Stock in Trade	150,355	131,589
<b>Total</b>	<b>150,355</b>	<b>131,589</b>

**23 Change in inventory**

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Opening stock-in- traded	10,339	7,877
Closing stock-in-traded	21,110	10,339
<b>Total</b>	<b>(10,771)</b>	<b>(2,462)</b>

**24 Employees benefit expenses**

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Salary and wages	4,112	3,821
Bonus	185	171
Director Remuneration	900	900
<b>Total</b>	<b>5,197</b>	<b>4,892</b>

**25 Financial cost**

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Bank charges	2	4
Bank Interest	3,135	1,315
Other Processing Fees	55	120
Unwinding of discount on security deposit	(43)	13
<b>Total</b>	<b>3,149</b>	<b>1,452</b>

**26 Depreciation and amortisation**

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Depreciation and amortisation expenses	987	1,060

**27 Other expenses**

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Freight Paid	2,234	962
Rent	3,000	1,800
Travelling		
Domestic	107	94
Foreign		
Conveyance	-	20
General expenses	25	12
Legal and professional	813	524
Office expenses	152	133
Listing fees	300	300
Vehicle running	99	130
Electricity charges	132	128
Printing & Stationery	3	-
Postage & Stamps	-	4
Telephone	65	71
Auditor's Remuneration		

- As audit fees	100	100
Municipal taxes	91	91
Insurance charges	58	45
Repair & maintainance	280	228
Commission Expense	-	4,749
Job Work Charges	60	370
Website Delovelopment	25	-
Others Expenses	948	990
Business Promotion Exp.	306	124
<b>Total</b>	<b>8,798</b>	<b>10,875</b>

**28 Contingent Liabilities**

(to the extent not provided for)

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
a) Claims against the Company not acknowledged as debts	-	-
b) Income tax demands disputed in appellate proceedings	422	422

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.

**29 Capital and other commitments**

	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Estimated amount of contracts remaining to be executed on capital account and not provided for (net off advances)	-	-

**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, 2023 ₹ '000'	March 31, 2022 ₹ '000'
i) Net profit available for equity shareholders	6,986	2,300
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 (₹)	10	10
iv) Earning per share (i)/(ii)		
- Basic EPS (₹)	0.87	0.29
- Diluted EPS (₹)	0.87	0.29

**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.

**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.

**33 Managerial Remuneration**

Particulars	Nature	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
For Director Remuneration	Salary	900	900
		900	900

**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, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Revenue from the Country of domicile; India	167,164	150,514
Revenue from foreign countries	-	-
<b>Total</b>		

**b) Details of non current asset**

Particulars	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Non-current asset from the Country of Domicile; India	4,967	5,191
Non-current asset from foreign countries	-	-
<b>Total</b>		

**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**

Naresh Kumar Garg	Chairman
Apoorv Agrwal	Managing Director
Arpit Agarwal	Chief Executive Officer
Hitesh Laxmikant Somani	Chief Financial Officer
*Deepak	Company Secretary
**Shallu Garg	Company Secretary

**Enterprises over which Key Management Personnel exercise significant influence**

Note: Related parties relationship is as identified by the Company and relied upon by the Auditor ₹ '000'

Note:- \*Deepak (Company Secretary) has resigned from the Company w.e.f 5th Nov 2022

\*\* Shallu Garg (Company Secretary) has been appointed on 27th March 2023

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

Nature of transaction	Related Party	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Director Remuneration	Director	900	900
Salary	Arpit Agarwal (C.E.O)	600	600
Salary	Shallu Garg (C.S.)	-	287
Bonus	Shallu Garg (C.S.)	-	20
Salary	Deepak (C.S.)	216	60
Salary	Hitesh Laxmikant Somani (C.F.O.)	276	276

**c) Amount outstanding as at the end of the year**

Account head	Related Party	March 31, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Director Remuneration	Director	-	705
Other financial liability	Deepak (C.S.)	-	30

**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, 2023 ₹ '000'	March 31, 2022 ₹ '000'
Trade payables (Note 16)	25,425	6,792
Other payables (current and non-current)	39,641	42,477
Less: Cash and cash equivalents (Note 11)	(433)	(710)
<b>Net debt</b>	<b>64,633</b>	<b>48,559</b>
Equity share capital	79,919	79,919
Other equity	53,015	46,828
<b>Total capital</b>	<b>132,934</b>	<b>126,747</b>
<b>Capital and net debts</b>	<b>197,567</b>	<b>175,306</b>
Gearing ratio (Net debt/Capital and Net debt)	32.71%	27.70%

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, 2023 ₹ '000'	March 31, 2022 ₹ '000'
<b>Financial assets</b>		
Financial assets at amortised cost		
<b>Non-current</b>		
Loans	-	20
Security deposit	-	15,256
	-	<b>15,276</b>
<b>Current</b>		
Loans	119,295	112,282
Trade receivables	30,742	27,304
Cash and cash equivalents	433	709
Other financial assets	17,950	999
	<b>168,420</b>	<b>141,294</b>
<b>Financial liability</b>		
Financial liability at amortised cost		
<b>Non-current</b>		
Borrowings	-	5,499
	-	<b>5,499</b>
<b>Current</b>		
Trade payables	25,425	6,792
Other financial liabilities	31,181	32,091
	<b>56,606</b>	<b>38,883</b>

**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.

#### 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/ real estate 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.

## 38 Ratio Analysis

Sr. No.	Particulars	Formula	2022-23	2021-22	% Changes
1	Current Ratio	Current Assests / Current Liability	2.97%	3.90%	-23.85%
2	Debit-Equity Ratio	Total Debt / Total Liability	NA	NA	NA
3	Debt Service Coverage Ratio	EBIT / Installment Repayment	NA	NA	NA
4	Return on Equity Ratio	PAT / Average Net Worth	5.38%	1.83%	193.98%
5	Inventory Turnover Ratio	COGS / Average Stock	8.88	14.18	-37.38
6	Trade Receivables Turnovers Ratio	Sales / Average Trade Receivable	5.44	3.94	38.07%
7	Trade Payable Turnovers Ratio	Purchase / Average Trade Payable	9.33	11.67	-0.20%
8	Net Capital Turnovers Ratio	Sales / Working Capital	1.23	1.12	9.82%



Sr. No.	Particulars	Formula	2022-23	2021-22	% Changes
9	Net Profit Margin	PAT / Sales	4.18	1.63	156.44%
10	Return on Capital Employed	PAT / Average Capital Employed	5.38%	1.83%	193.98%
11	Return on Investment	Other Income / Average Marketable security	NA	NA	NA

**39** 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.

**40** Figures have been rounded off to the nearest rupees.

**41** Figures in brackets pertain to previous year, unless otherwise indicated.

**For Agarwal Mahesh Kumar & Co.  
Chartered Accountants**

**CA M.K Agarwal (FCA)  
(Proprietor)  
Membership No.094303  
F.R.N. No. 014618N  
UDIN: 23094303BGWKJR4761**

**Place:- New Delhi  
Date:- 29th April 2023**

**sd/-  
Arpit Agarwal  
Chief Executive Officer  
PAN :- ALXPA4182D**

**For & On Behalf Of Board Of Directors**

**sd/-  
Naresh Kumar Garg  
Chairman  
DIN: 00986846**

**sd/-  
Apoorv Agarwal  
Managing Director  
DIN: 02763242**

**sd/-  
Hitesh Laxmikant Somani  
Chief Financial Officer  
PAN: AOWPS2590B**

**sd/-  
Shallu Garg  
Company Secretary  
Membership No.A60869**





## SRU STEELS LIMITED

CIN No-L17300DL1995PLC107286

Regd. Office : A-48, 1st Floor, Wazirpur Industrial Area, New Delhi-110052

website:- www.srusteels.in | E-mail:-srusteels@yahoo.in | Tel No-011-27373622,

## Form No. SH-13

## Nomination Form

[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) 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:	

(3) IN CASE NOMINEE IS A MINOR-	
(a) Date of birth:	
(b) Date of attaining majority	
(c) Name of guardian:	
(d) Address of guardian:	

(4) PARTICULARS 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 the minor nominee:	

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Name of the Security Holder(s)Signature

Witness with name and address



[www.srusteels.in](http://www.srusteels.in)



**SRU STEELS LIMITED**



Regd. Office and Corp. Office: A-48, 1st Floor, Wazirpur Industrial Area, New Delhi-110052



Tel No-011-27373622



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